

**THE STATE OF TENNESSEE –
LOCAL EDUCATION EMPLOYEE GROUP PLAN**

OTHER POST-EMPLOYMENT BENEFITS
ACTUARIAL REPORT AS OF JULY 1, 2015 FOR FISCAL YEAR
ENDING JUNE 30, 2016



May 13, 2016

Mr. Ike Boone
Financial Oversight Coordinator
F&A Division of Accounts
State of Tennessee
14th Floor, William Snodgrass Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243

Re: **GASB Statement No. 45 Actuarial Valuation
Of Other Post-Employment Benefits (OPEB)**

Dear Mr. Boone:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the State of Tennessee to perform an Actuarial Valuation of Other Post-Employment Benefits (OPEB) provided through the State's group insurance plans. As such the State of Tennessee is our Client-Principal. We are pleased to present herein the results of the valuation of benefits provided to retirees covered under the Local Education Employee Group Plan.

The Valuation was performed as of July 1, 2015 with results applicable to the fiscal year ending June 30, 2016 and covers implicit and direct premium subsidies offered to the medical (including prescription drug) benefits provided to retirees. This Report presents the cost and liability attributed to employees and retirees of the Local Education employers, borne partly by the State and partly by the Local Education employers.

The actuarial calculations were prepared for the purposes of complying with the requirements of Statement No. 45 of the Governmental Accounting Standards Board (GASB) and have been made on a basis consistent with our understanding of these accounting standards. Determinations of the liability associated with the benefits described in this Report for purposes other than satisfying the financial reporting requirements of participating governmental entities, may produce significantly different results. This Report may be provided to parties other than the State of Tennessee only in its entirety and only with the permission of the State.

All actuarial calculations were performed on the basis of the Substantive Plan and the Actuarial Assumptions and Methods, as set forth in the respective sections of this Report.

The Valuation was performed on the basis of employee, retiree, premium, plan and financial information supplied by officials of the State and the Tennessee Consolidated Retirement System. We checked for internal reasonableness and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by officials of the State and the Tennessee Consolidated Retirement System. Results by employer, as reflected on the pages at the end of this Report, are based on data provided by State representatives (including indicators as to what employer the employees and retirees are associated with as of June 30, 2015). We did not audit or validate this census data. Furthermore, while the actuarial assumptions and methods employed are reasonable for the group as a whole, they may not be reasonable for any individual employer.

The calculations are based upon assumptions regarding future events, which may or may not materialize. They are also based upon the current plan provisions that are outlined in this Report. If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, that

important plan provisions relevant to this proposal are not described, or that conditions have changed since the calculations were made, you should contact the author(s) of this Report prior to relying on information in the Report.

Future actuarial measurements may differ significantly from the current measurements presented in this Report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions, applicable law, accounting standards and interpretations. Due to the limited scope of the actuary's assignment, the actuary did not perform an analysis of the potential range of such future measurements.

To the best of our knowledge the information contained in this Report is accurate and fairly presents the actuarial position of the plan as of the valuation date. All assumptions and calculations have been made in conformity with generally accepted actuarial principles and practices and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. If you have reason to believe that the information provided in this report is inaccurate, or is in any way incomplete, or if you need further information in order to make an informed decision on the subject matter of this report, please contact the author of the report prior to making such decision.

James J. Rizzo and Piotr Krekora are members of the American Academy of Actuaries. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation report and to answer any questions pertaining to the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY



James J. Rizzo, ASA, MAAA
Senior Consultant & Actuary



Piotr Krekora, ASA, MAAA
Consultant & Actuary

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SECTION A

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The results presented herein are applicable to the year ending June 30, 2016 and are based on an Actuarial Valuation performed as of July 1, 2015. We are also including projected results to be used for the June 30, 2017 reporting in the absence of significant changes.

This Actuarial Valuation and Report covers the OPEBs provided to the retirees through the Local Education Employee Group Plan. As indicated, benefits are provided by the State and the respective employers. Additional costs and liabilities borne and reportable by the each entity are included in a separate Actuarial Valuation and Report for the Tennessee Plan (the Medicare Supplement). The Substantive Plan provisions for the OPEBs provided through the Local Education Employee Group Plan are described in the Section at the end of this Report entitled “Summary of Substantive Plan Provisions.”

GASB’S RATIONALE

Prior to implementation of GASB Statement Nos. 43 and 45, the costs of OPEBs had been reflected in the majority of governmental financial statements on a pay-as-you-go basis of accounting. The issuance of GASB Statement Nos. 43 and 45 reflected GASB’s effort in moving toward full accrual accounting for all governmental entities which issue government-wide financial statements according to generally accepted accounting principles.

The subsidy provided by the State and Local Education employers had been recorded as an expense only after employees retire, and then only one year at a time as the subsidy is paid. Statement No. 45 views the subsidy for retiree medical benefits as a form of compensation which must be accrued on the books of the subsidizing governmental entity during an employee’s working life, rather than waiting until the employee’s service to the government has been completed and he or she has retired. So GASB requires the lifetime value of that subsidy to be expensed over the working career of the employees.

DIRECT SUBSIDIES

Multiple levels of the direct premium subsidy are being offered to the retirees covered under the Local Education Employee Group Plan. In general, retired teachers receive premium subsidies from the State. In addition, Local Education Agency retirees may be receiving subsidies from the employer. More details can be found in the section titled “Summary of the Substantive Plan Provisions.”

IMPLICIT RATE SUBSIDY

According to the Summary of Substantive Plan Provisions, retirees and their dependents are permitted to remain covered under the employer’s respective medical plans as long as they pay the required premiums applicable to the plan and coverage elected.

It may appear, at first glance, that there is no obligation on the part of a governmental entity for subsidizing the retiree coverage beyond the direct subsidy referenced above. However, even if the governmental entity were to eliminate any direct subsidy and start charging retirees with the full blended rate developed for the type of coverage elected, there would still be a residual liability. This liability arises because the full illustrative premiums are based on a blending for the experience among younger active employees and older retired employees. Since older retirees generally have higher costs, the governmental entity is actually subsidizing the cost of the retiree and dependent coverage because it pays all or a significant portion of that premium on behalf of the active employees.

GASB No. 45 calls this the “implicit rate subsidy” and it is not an insignificant amount. A group of 62-year-old retirees or dependents can easily cost over 50% more than the employer is collecting from them for coverage. The governmental entity, therefore, has assumed an obligation to pay for that implicit subsidy for the covered lifetimes of the current retirees and their dependents, as well for the covered lifetimes of the current employees after they retire.

Measuring the current year’s implicit subsidy (and direct subsidy), projecting them for decades into the future and making an allocation of that cost to different years, is the purpose of this Actuarial Valuation and Report. The implicit subsidy is attributable as an obligation of the Local Education employers due to their participation in the Local Education Employee Group Plan.

FUNDED AND UNFUNDED PLANS

Currently, the OPEB benefits provided by the State and Local Education employers are unfunded. That is, there is no separate Trust Fund or equivalent arrangement into which the employers would make contributions to advance-fund the obligation, as they do for its pension plan, the Tennessee Consolidated Retirement System (TCRS). Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the employer. These assets are invested in short-term fixed income instruments according to its current investment policy.

Consequently, according to GASB Statement No. 45, the interest discount rate used to calculate the present values and costs of the OPEB must be the long-range expected return on such short-term fixed income instruments. The State selected an interest discount rate of 3.75% for this purpose. If the OPEB Plan were advance-funded with its assets invested in a reasonable mix of stocks and longer bonds and, if the plan adopted a Funding Policy to make fully funding cash deposits into a qualifying OPEB Trust, then a much higher interest discount rate may be used, say, 5.5% to 6.5%. This would result in a substantially lower Annual OPEB Cost and a substantially lower Unfunded Actuarial Accrued Liability than if 3.75% were used.

ACTUARIAL ASSUMPTIONS

In any long-term actuarial valuation (such as for Pensions and OPEBs), certain demographic, economic and behavioral assumptions are made concerning the population, the investment discount rates and the benefits provided. Examples include assumptions about future employment, mortality, and the participation or acceptance rates. Future determinations of the funded status of the plan and the employer’s annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. These actuarial assumptions form the basis for the actuarial model which is used to project the future population, the future benefits provided, and the future contributions collected. Then the investment discount rate assumption is used to discount those projected net OPEB benefits to a present value. This and other related present values are used to calculate the Annual OPEB Cost that will be expensed in the financial statements of the State and the Local Education employers and the unfunded actuarial accrued liability disclosed in the statements as well.

Calculations for financial reporting purposes are based on the benefits provided under terms of the substantive plan (the plan as understood by the employer and the plan members) in effect at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point. Projections of benefits for financial reporting purposes are based on the current legal or contractual obligations of employers without making explicit provisions for potential future changes in the pattern of cost sharing between the employer and plan members. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities.

It would be instructive to review the Section of this Report titled, “Actuarial Assumptions and Methods” for details of all the relevant Actuarial Assumptions used in this Valuation.

ACTUARIAL COST METHODS

GASB Statement No. 45 allows flexibility to governmental employers in the use of various actuarial cost methods. The results presented herein have been obtained with the Projected Unit Credit actuarial cost method with an amortization of the unfunded actuarial accrued liability as a level percent of expected payroll.

SUMMARY

Following is a chart that summarizes the results of this Actuarial Valuation for the OPEBs provided through the Local Education Employee Group Plan. More details can be found on following pages.

	As of	July 1, 2015	July 1, 2013 ¹
Actuarial Accrued Liability (State and Local)	\$	952,432,033	\$ 931,590,467
Actuarial Value of Assets		-	-
Unfunded Actuarial Accrued Liability		952,432,033	931,590,467
	For FYE	June 30, 2016	June 30, 2014
Annual Required Contribution (State and Local)		104,989,437	101,099,088
Per Covered Active Employee		1,623	1,564

¹As reflected in prior actuarial reports.

ACCRUED LIABILITY AND ANNUAL OPEB COST

The Unfunded Actuarial Accrued Liability represents an actuarial measurement of the obligation that is attributable to prior service, based on the actuarial cost method used to allocate the cost to prior years of employment. This will be displayed in the Notes to Financial Statements and Required Supplementary Information within the State and Local Education employer’s annual financial statement.

The Annual OPEB Cost is the amount that is expensed for the year. Each individual employer participating in the Local Education Employee Group Health Plan effectively has a fully insured contract with the total Plan. As such, the offset to the OPEB Expense (Annual OPEB Cost) equals the total cost borne by the State and the Local Education employer for coverage for retirees and their dependents for the year (net of the retiree’s own payments for the year). This offset is called the Employer Contribution.

The cumulative difference between the Annual OPEB Cost for the year and the Employer Contribution for the year is called the Net OPEB Obligation. This is the amount of the expense charged for the year (per GASB No. 45) which was not yet offset by Employer Contributions. The Net OPEB Obligation will be reflected as a liability in the Statement of Net Position of the State and Local Education employer’s annual financial statement. It flows right to the balance sheet, remains there, and accumulates each year until fully paid off by future Employer Contributions.

CHANGES IN COSTS AND LIABILITIES

The Unfunded Actuarial Accrued Liability and accounting expense have a tendency to increase from one valuation to the next for any ongoing plan with no benefit reductions and no advance funding in a trust. A detailed analysis of the root causes of all changes in costs and liabilities is beyond the scope of this report. Nonetheless, below we briefly discuss some of the factors contributing to the changes, to the extent feasible. We did not measure the impact of each individual change and the order does not have any particular significance:

- *Initial cost of coverage:* The average cost of coverage decreased since the prior Valuation was performed. It was previously assumed that a 60-year old male retiree, for example, would incur an average of \$8,947 in claims and other costs for the year 2013. In this Actuarial Valuation, it is assumed for the year 2015, that a 60-year old male retiree would incur \$9,140 on average. This is much lower than projected cost of \$10,291 based on assumptions used in the prior Valuation. This had a decreasing effect on the costs and liabilities.
- *Changes in Retiree Premiums:* The average gross premium rate did not change significantly from \$525 per month as of 1/1/2013. In the previous Valuation, the average premium was projected to increase to \$604 per month but it changed to \$548. Although this premium increase is lower than projected, it was faster than increases in the claim costs and as such had a net decreasing effect on the implicit subsidy.
- *Changes in covered population:* The number of retirees with medical coverage currently included in the valuation decreased from 6,009 as of 7/1/2013 to 5,214 as of 7/1/2015. At the same time, the number of active employees with medical coverage increased from 64,646 to 64,700. The combined population changes had a net decreasing effect on the costs and liabilities.
- *Short Term Medical Trend assumption:* It was previously assumed that premiums and costs would increase at a rate of 6.5% for the year beginning January 1, 2016. The assumed trend for costs will continued to be 6.5% for the year beginning January 1, 2016. The trend rate for premiums applicable to the year beginning January 1, 2016 is assumed to decrease by 1.25% to reflect premiums established for that year. This had a modest increasing effect on the costs and liabilities.
- *Long Term Medical Trend assumption:* The long term trend rate for the cost of benefits and premiums charged to retirees has been revised to be based on the recently updated forecasting model built and published (December 2007, as updated November 2015) in *Modeling Long-Term Health Care Cost Trends* sponsored by the Society of Actuaries and authored by Prof. Thomas E. Getzen. Under this model, assumed trend rates decline over a 34-year period from 6.00% assumed for the year 2017 to the ultimate level of 4.345%. This had a modest decreasing effect on the costs and liabilities.
- *Valuation Discount Rate:* Upon discussion and direction from State officials, we have decreased the discount rate used to calculate the present values and costs of the OPEB. According to GASB Statement No. 45, this rate must be the long-range expected return on such short-term fixed income instruments. Given the recent trend in long term forecasts, we revised the discount rate from 4.0% used previously to 3.75%. This change had an increasing effect on the costs and liabilities. We estimated that lowering the discount rate increased the Actuarial Accrued Liability by approximately 3.1%.

As can be seen from this summary of changes, there may have been offsetting factors at work to change the results from the last full valuation to this one. The net effect was an increase in the plan's actuarial liabilities and on the plan's accounting expense.

Although these factors may have similar effects on all participating employers, experience of individual employers may be different than the aggregate experience of the plan.

SECTION B

SUMMARY OF ACTUARIAL VALUATION RESULTS

ACTUARIAL VALUATION RESULTS AS OF JULY 1, 2015					
	Total Medical/Rx Costs	Retirees' Medical/Rx Premiums	Local Direct Subsidy	State Direct Subsidy	Net Employer Costs
Number of Participants Covered					
Active Participants					64,700
Retired Participants					5,214
Total Participants					69,914
Actuarial Present Value of Benefits					
Active Participants	2,035,093,423	(1,333,085,339)	423,604,964	448,071,387	1,573,684,435
Retired Participants	236,220,796	(150,119,432)	40,612,356	57,061,339	183,775,059
Total Actuarial Present Value of Benefits	2,271,314,219	(1,483,204,771)	464,217,320	505,132,726	1,757,459,494
Actuarial Accrued Liability (Projected Unit Credit Actuarial Cost Method)					
Active Participants	982,686,581	(639,655,079)	207,888,099	217,737,373	768,656,974
Retired Participants	236,220,796	(150,119,432)	40,612,356	57,061,339	183,775,059
Total Actuarial Accrued Liability	1,218,907,377	(789,774,511)	248,500,455	274,798,712	952,432,033
Actuarial Value of Assets	-	-	-	-	-
Unfunded Actuarial Accrued Liability	1,218,907,377	(789,774,511)	248,500,455	274,798,712	952,432,033
Annual Required Contribution of the Employer (ARC) for YE 6/30/16 (Projected Unit Credit Actuarial Cost Method)					
Normal Cost	75,873,014	(49,886,876)	16,283,097	15,429,580	57,698,815
Amortization of UAAL	62,007,158	(40,176,697)	12,186,979	13,273,183	47,290,622
Annual Required Contribution for FYE 6/30/16	\$ 137,880,172	\$ (90,063,573)	\$ 28,470,076	\$ 28,702,763	\$ 104,989,437
Per Active Participant	\$ 2,131	\$ (1,392)	\$ 440	\$ 444	\$ 1,623

UAAL Amoritzation Period and Payments (All Subsidy)				
Date Established	Original UAAL Amount	Remaining UAAL Amount	Years Remaining	Amortization Payment
July 1, 2007	\$ 931,589,000	\$ 900,905,110	22	\$ 44,965,011
July 1, 2009	48,311,000	47,391,009	24	2,183,566
July 1, 2010	(17,035,000)	(16,786,031)	25	(745,107)
July 1, 2011	51,571,000	50,963,092	26	2,182,829
July 1, 2013	(68,491,107)	(68,445,645)	28	(2,741,405)
July 1, 2015	38,404,498	38,404,498	30	1,445,728
Total		952,432,033		47,290,622

ACTUARIAL VALUATION RESULTS AS OF JULY 1, 2015

	Local Subsidy			State Direct Subsidy	Total Employer/State Costs
	Implicit Subsidy	Direct Premium Subsidy	Total Local Subsidy		
Number of Participants Covered					
Active Participants					64,700
Retired Participants					5,214
Total Participants					69,914
Actuarial Present Value of Benefits					
Active Participants	702,008,084	423,604,964	1,125,613,048	448,071,387	1,573,684,435
Retired Participants	86,101,364	40,612,356	126,713,720	57,061,339	183,775,059
Total Actuarial Present Value of Benefits	788,109,448	464,217,320	1,252,326,768	505,132,726	1,757,459,494
Actuarial Accrued Liability (Projected Unit Credit Actuarial Cost Method)					
Active Participants	343,031,502	207,888,099	550,919,601	217,737,373	768,656,974
Retired Participants	86,101,364	40,612,356	126,713,720	57,061,339	183,775,059
Total Actuarial Accrued Liability	429,132,866	248,500,455	677,633,321	274,798,712	952,432,033
Actuarial Value of Assets	-	-	-	-	-
Unfunded Actuarial Accrued Liability	429,132,866	248,500,455	677,633,321	274,798,712	952,432,033
Annual Required Contribution of the Employer (ARC) for YE 6/30/16 (Projected Unit Credit Actuarial Cost Method)					
Normal Cost	25,986,138	16,283,097	42,269,235	15,429,580	57,698,815
Amortization of UAAL	21,830,460	12,186,979	34,017,439	13,273,183	47,290,622
Annual Required Contribution for FYE 6/30/16	\$ 47,816,599	\$ 28,470,076	\$ 76,286,675	\$ 28,702,763	\$ 104,989,437
Per Active Participant	\$ 739	\$ 440	\$ 1,179	\$ 444	\$ 1,623
Annual OPEB Cost for FYE 6/30/16					
ARC				28,702,763	
Interest on NOO				2,734,881	
Adjustment to ARC				(2,745,864)	
Total Annual OPEB Cost for FYE 6/30/16				28,691,780	

UAAL Amortization Period and Payments - State Subsidy

Date Established	Original UAAL Amount	Remaining UAAL Amount	Years Remaining	Amortization Payment
July 1, 2007	\$ 252,546,000	\$ 244,227,975	22	\$ 12,189,645
July 1, 2009	(12,541,000)	(12,301,484)	24	(566,797)
July 1, 2010	(25,664,000)	(25,289,305)	25	(1,122,554)
July 1, 2011	1,833,000	1,810,922	26	77,565
July 1, 2013	82,118,252	82,063,745	28	3,286,841
July 1, 2015	(15,713,141)	(15,713,141)	30	(591,517)
Total		274,798,712		13,273,183

EFFECT OF THE EXCISE TAX ON HIGH COST HEALTH PLANS

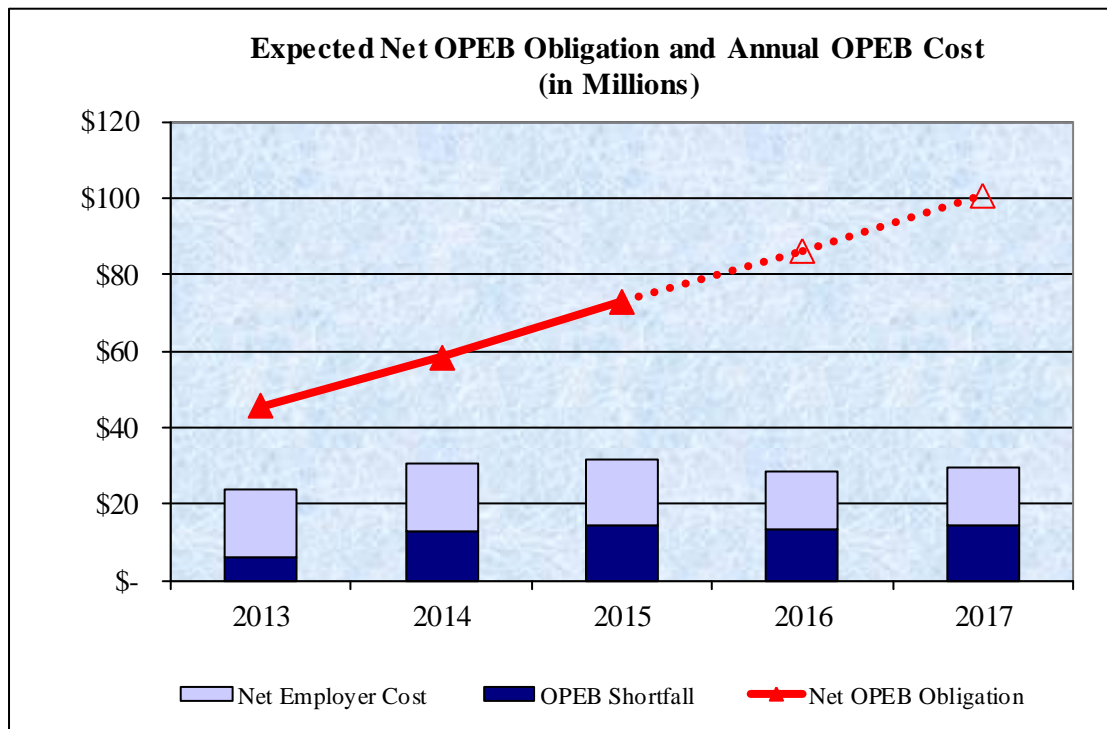
Results presented above reflect the estimated impact of the excise tax on high cost (Cadillac) health plans. As provided by the Patient Protection and Affordable Care Act of 2010, provisions of the law pertaining to the tax will first take effect in 2020. The excise tax will be 40% of costs above a threshold. Under our valuation assumptions, we anticipate that the Plan will not be subject to the excise tax at least until 2030. Additional details can be found on page D-6. The following table illustrates an estimated impact of the tax:

ACTUARIAL VALUATION RESULTS AS OF JULY 1, 2015		
	Results Reflecting Expected Impact of Excise Tax	Original Results (Without Provisions for Excise Tax)
Number of Participants Covered		
Active Participants	64,700	64,700
Retired Participants and Surviving Spouses	5,214	5,214
Total Participants	69,914	69,914
Actuarial Present Value of Benefits		
Active Participants	1,573,684,435	1,541,797,711
Retired Participants	183,775,059	183,723,543
Total Actuarial Present Value of Benefits	1,757,459,494	1,725,521,254
Actuarial Accrued Liability (Projected Unit Credit Actuarial Cost Method)		
Active Participants	768,656,974	760,258,683
Retired Participants	183,775,059	183,723,543
Total Actuarial Accrued Liability	952,432,033	943,982,226
Actuarial Value of Assets	-	-
Unfunded Actuarial Accrued Liability (PUC)	952,432,033	943,982,226
Annual Required Contribution of the Employer (ARC) for YE 6/30/16 (Projected Unit Credit Actuarial Cost Method)		
Normal Cost	57,698,815	56,569,306
Amortization of UAAL	47,290,622	46,972,531
<u>Annual Required Contribution for FYE 6/30/16</u>	<u>\$ 104,989,437</u>	<u>\$ 103,541,837</u>

TWO-YEAR PROJECTION OF NET OPEB OBLIGATION

All results presented in this report assume no advance-funding of the OPEB Plan. It is also assumed that the current benefit structure of the Plan continues without changes. The table below illustrates how the Net OPEB Obligation, presented as a liability in the Statement of Net Position, is expected to continue increasing over the next two years assuming no implementation of advance-funding. Projected numbers below would be presented in the Financial Statement for the year ending June 30 of the year indicated.

Fiscal Year Ending on 6/30	Total Annual OPEB Cost at Fiscal Year End (in Thousands)	Current Total State Subsidy (in Thousands)	Annual Net OPEB Shortfall (in Thousands)	Net OPEB Obligation at Fiscal Year End (in Thousands)
2013	\$ 23,974	\$ 17,947	\$ 6,027	\$ 45,715
2014	30,402	17,706	12,696	58,411
2015	31,495	16,976	14,519	72,930
2016	28,692	15,363	13,329	86,259
2017	29,667	15,229	14,437	100,696



Please note that beginning with the fiscal year ending June 30, 2018, the long term OPEB liability will be reported according to GASB Statement No. 75. Effects of implementing that new standard are not illustrated above.

AGE/SERVICE DISTRIBUTION FOR PLAN PARTICIPANTS

Age Group	Years of Service to Valuation Date - Active Employees							
	0-5	6-9	10-14	15-19	20-24	25-29	30&Up	Total
0 - 14	-	-	-	-	-	-	-	-
15 - 19	15	-	-	-	-	-	-	15
20 - 24	1,108	2	-	-	-	-	-	1,110
25 - 29	4,523	961	3	-	-	-	-	5,487
30 - 34	2,183	3,676	826	12	-	-	-	6,697
35 - 39	1,966	1,971	2,996	862	2	-	-	7,797
40 - 44	1,809	1,786	1,658	2,964	660	5	-	8,882
45 - 49	1,594	1,655	1,448	1,566	2,295	492	3	9,053
50 - 54	1,306	1,378	1,329	1,437	1,132	1,544	445	8,571
55 - 59	960	979	1,090	1,442	1,051	905	1,498	7,925
60 - 64	673	733	644	812	814	652	1,364	5,692
65 - 69	276	363	306	300	303	266	509	2,323
70 - 74	102	126	124	112	88	69	161	782
75 - 99	17	38	55	68	68	33	87	366
Total	16,532	13,668	10,479	9,575	6,413	3,966	4,067	64,700

The inner box represents current eligibility for Early or Normal Retirement.

Age Group	Retirees		
	Male	Female	Total
0 - 44	2	8	10
45 - 49	8	13	21
50 - 54	30	124	154
55 - 59	204	962	1,166
60 - 64	849	2,936	3,785
65 - 69	13	33	46
70 - 74	5	1	6
75 - 79	-	3	3
80 - 84	6	3	9
85 - 89	-	7	7
90 - 94	1	6	7
95 - +	-	-	-
Total	1,118	4,096	5,214

SECTION C

DEVELOPMENT OF INITIAL PER CAPITA COSTS

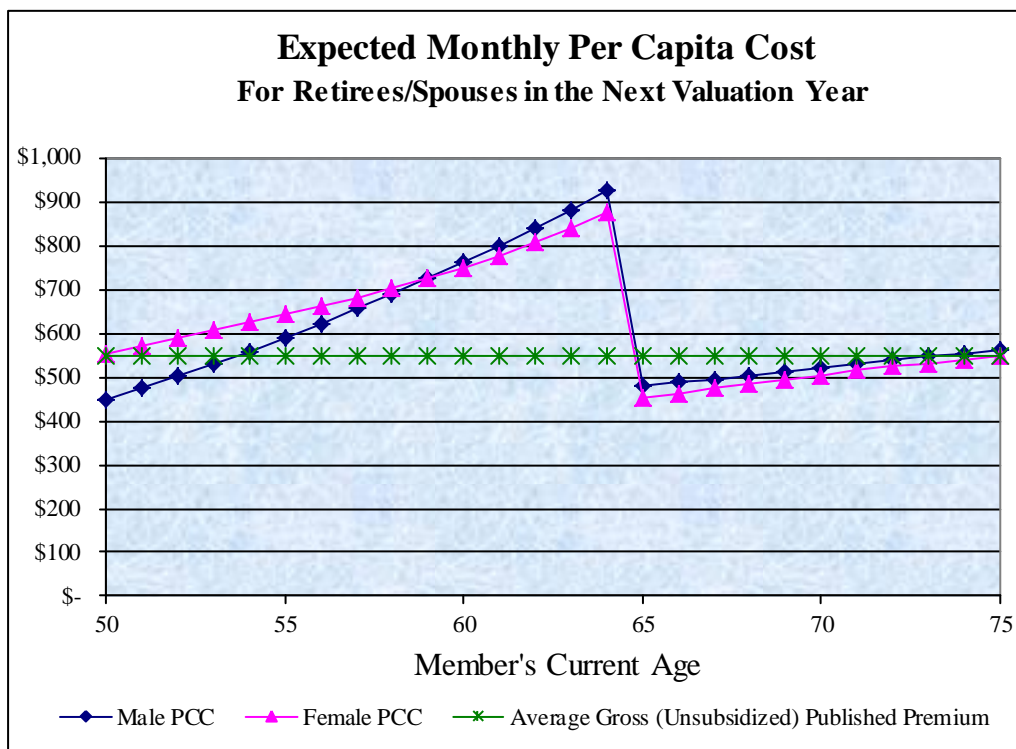
DEVELOPMENT OF INITIAL PER CAPITA COSTS

By offering medical coverage to employees, retirees and their dependents, the participating Employers assume the responsibility for the total expected premiums charged by the Plan. These costs are partially offset by contributions from employees and retirees. While the total premium amount charged for covering employees and retirees and their dependents is the same without regard to the age or gender of the member, the true costs of medical and prescription coverage in any given year, depends on these factors. As the ages of employees, retirees and dependents in the covered population increase, so do their costs of benefits.

The table and the graph below illustrate the expected initial monthly Per Capita Costs (PCC) applicable to current retirees in the coming year.

Initial Monthly Per Capita Cost By Age/Sex					
All Retirees			Grandfathered Retirees Only		
Sample Ages	Male	Female	Sample Ages	Male	Female
45	\$ 344.18	\$ 475.02	65	\$ 478.58	\$ 451.40
50	448.17	552.10	70	521.35	504.49
55	589.74	643.91	75	559.94	546.38
59	725.00	725.00	80	587.83	577.55
60	761.68	749.99	85	592.10	599.08
64	926.22	874.10	90	581.13	605.08

For comparison, the gross published premiums are also presented on the graph below. The spread between the Per Capita Cost and that gross premium represents the implicit subsidy provided by the employer. The total subsidy is equal to the difference between the Per Capita Cost and premiums actually collected from the retiree (not shown).



The amounts of Per Capita Costs illustrated above have been developed by employing the morbidity tables discussed below. The table shows select values of age grading factors reflecting rates at which medical costs increase with age of the member. These percentages are separate from the annual Trend, which operates to increase costs independent of and in addition to the Aging Factors. For example, in any single year a group of 61-year old males are expected to cost 5.02% more than a group of 60-year old males.

Medical/Rx Cost Increase By Age					
Sample Ages	Male	Female	Sample Ages	Male	Female
30	4.80%	3.74%	65	1.68%	2.46%
35	4.45%	-0.32%	70	1.72%	1.89%
40	4.42%	0.44%	75	1.07%	1.20%
45	4.89%	2.34%	80	0.62%	0.97%
50	5.81%	3.46%	85	-0.37%	0.36%
55	5.44%	2.84%	90	-0.28%	-0.14%
60	5.02%	3.66%	95	-0.38%	-2.21%

The total cost expected (based on the claims for the self-insured health plan administered by the State) for the covered retiree population was allocated by age/sex, based upon the age/sex distribution of retirees and their covered spouses in the morbidity tables above. The total cost is based on the blended experience of all retirees and spouses from State, Local Education and Local Government Agencies enrolled in Partnership, Standard and Limited plan options regardless of which carrier network they utilized. This procedure resulted in a table of age/gender-specific initial Per Capita Costs for the coming year. These calculations were based upon the benefits provided under the plan options available to employees and retirees as of the Valuation Date.

In the development of the PCC amounts, retirees and dependents age 65 and older are assumed to be Medicare-eligible. This assumption applies only to “grandfathered” retirees as a wide majority of members are required to discontinue coverage under the plan upon attaining age-based eligibility for Medicare benefits. In our work, we assume that the employer’s cost for a claim incurred by a Medicare eligible retiree is lower than the cost of the same claim incurred by a retiree who is not eligible for Medicare benefits. Claim data for post-65 retirees was not credible enough to develop per capita costs for this group based on their own data. Furthermore detailed Medicare eligibility and enrollment data was not readily available and it was assumed that 75% of the grandfathered retirees participated (or would participate upon attaining eligibility) in both Parts A and B under the Medicare program. Consequently it was assumed that the cost of benefits for post 65 retirees would be reduced, on average, by 50% due to coordination with Medicare for those retirees who are actually enrolled in Parts A and B.

The Monthly Per Capita Costs (PCC) by age and sex represent the costs of coverage after taking out deductibles, coinsurance, co-pays, and Medicare payments, but before applying any monthly retiree contributions (premiums) charged for coverage. The Medicare Part D subsidy, if any, has not been given any consideration, since it may not be used to offset the OPEB obligation.

Amounts for each age/gender combination for this Valuation were developed based on census data, claims and other costs for all participants and their spouses participating in the Employee Group Insurance plans of the State, Local Education and Local Government groups. The PCCs of each such group were not sufficiently different from each other to justify the loss of credibility inherent in developing and using separate PCCs.

Per Capita Costs applicable to retirees who retire under disability provisions are assumed to be the same as for all other similarly situated retirees. Although disabled retirees are generally more expensive to cover, some such retirees may qualify for benefits under the Medicare program, which offsets the increased costs. We did

not assess the relative magnitude of these factors, but given the fact that they offset each other combined with a relatively low incidence of disability retirements, we believe that overall materiality of this aspect does not warrant more detailed analysis. Consequently, all retirees are subjected to the same model regardless of disability status.

SECTION D

ACTUARIAL ASSUMPTIONS AND METHODS

ACTUARIAL ASSUMPTIONS AND METHODS

Actuarial Valuation Date:	July 1, 2015 for employee and retiree population purposes, for development of per capita cost purposes and for valuation purposes.
Actuarial Cost Method:	Projected Unit Credit Cost Method with the total value of the benefit, to which each participant is expected to become entitled, is broken down into units, each associated with a year of past or future credited service.
Amortization Period and Method:	The Unfunded Actuarial Accrued Liability, as calculated pursuant to the Projected Unit Credit Actuarial Cost Method, is amortized in a closed amortization, calculated as a level percent of payroll over a 30 year period with each new amortization base created annually for each participating employer individually. The assumed rate of payroll growth is 3.00%. GASB Statement No. 45 requires that any such payroll growth assumption be based upon no increase in the number of active employees covered by the plan.
Investment Discount Rate:	Since there are currently no invested plan assets held in trust to finance the OPEB obligations, the investment return discount rate is the long-term expectation of investment return on assets held in State funds pursuant to its Investment Policy. The State has selected 3.75% compounded annually.
Price Inflation:	Long term general price inflation is assumed to be 2.5% per year.
Tennessee Consolidated Retirement System:	<p>Unless noted otherwise, demographic assumptions employed in this Actuarial Valuation were basically the same as those employed in the July 1, 2013 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS) and applicable to Group I employees. These demographic assumptions were developed by TCRS from an Actuarial Experience Study (undertaken on behalf of TCRS), and are appropriate for use in this OPEB Actuarial Valuation. These include assumed rates of future termination, mortality, disability, and retirement.</p> <p>In the following pages, we outline assumptions used in this actuarial valuation.</p>
Data Assumptions:	Upon advice from the TCRS representatives whenever we encountered a discrepancy between expected service and service reported for this valuation, imputed service was used.
Mortality Tables:	<p>Mortality tables are used to measure the probabilities of participants dying before and after retirement. The post-retirement rates are the same as those used by TCRS but with added generational mortality improvements from its 2010 mid-point base year using the Society of Actuaries' Scale BB. The pre-retirement rates are based on the RP-2000 Mortality Table with generational improvements from its 2000 mid-point base year using the same Scale BB.</p> <p>Mortality rates for impaired (from disability) lives are the same as those used by TCRS and are taken from the sex distinct table published in the IRS Revenue Ruling 96-7 for disabled lives with a 10% load.</p>

**Rates of Termination from
Active Employment:**

These rates do not apply to participants eligible for Normal Retirement and do not include separation on account of death or disability. Termination rates are used to measure the probabilities of participants terminating employment for other reasons. The rates are based on the number of years of service and age.

% Separating Within Next Year										
Years of Service	Male									
	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	18.0%	18.0%	18.0%	18.0%	18.0%	18.4%	19.7%	22.1%	25.5%	28.0%
1	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	14.2%	16.8%	21.6%	23.5%
2	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
3	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
4	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
5	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
6	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
7	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
8	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
9	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
10 or more	10.0%	8.5%	6.0%	3.6%	2.0%	1.5%	2.0%	3.1%	4.7%	0.0%
Years of Service	Female									
	Attained Age									
	20	25	30	35	40	45	50	55	60	65
0	18.0%	18.0%	18.0%	18.0%	18.0%	18.4%	19.7%	22.1%	25.5%	28.0%
1	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	14.2%	16.8%	21.6%	23.5%
2	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
3	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
4	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
5	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
6	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
7	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
8	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
9	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%
10 or more	10.5%	10.0%	7.6%	4.6%	2.3%	1.1%	1.6%	3.8%	5.0%	0.0%

Rates of Disability:

Disability rates are used to measure the probabilities of active participants becoming disabled.

% Becoming Disabled Within Next Year		
Sample Ages	Male	Female
20	0.01%	0.01%
25	0.01%	0.01%
30	0.01%	0.01%
35	0.03%	0.03%
40	0.08%	0.08%
45	0.14%	0.14%
50	0.17%	0.17%
55	0.17%	0.17%
60	0.00%	0.00%

Rates of Retirement:

Rates of retirement are used to measure the probabilities of an eligible active employee retiring during the next year.

Unreduced Retirement Annual Rates		
Sample Ages	Male	Female
50	6.5%	6.5%
55	10.0%	10.0%
60	15.0%	17.0%
65	35.0%	37.5%
70	16.0%	34.0%
75	100.0%	100.0%

Rates of retirement are increased by 12.5% in the year an employee first reaches eligibility for unreduced retirement before attaining age 60.

In addition, rates of retirement are increased by 8% for ages 60 and higher for employees with 15 or more years of service.

HEALTH COVERAGE ASSUMPTIONS

Coverage Acceptance Rates:

Not all retirees will accept coverage and pay the required premium upon retirement. Eligible employees and spouses are assumed to elect coverage based upon the level of subsidy provided, which varies by employer. These assumptions for each employer are summarized in the table below. Retirees changing coverage to The Tennessee Plan are considered lapsing coverage for the purpose of this valuation.

Coverage Acceptance for Pre-65 Elections		
Subsidy Level (State and Local combined)	Total Acceptance Rate	Percentage of Retirees Electing Dual Coverage
90%+	100%	47%
85%	91%	45%
80%	88%	44%
75%	85%	42%
70%	82%	40%
65%	79%	38%
60%	75%	36%
55%	71%	34%
50%	67%	32%
45%	63%	29%
40%	59%	27%
35%	54%	24%
30%	49%	20%
25%	43%	20%
20%	36%	20%
15%	27%	20%
10% or less	25%	20%

Future participation:

Active employees currently declining coverage are assumed to opt into the plan in the future and accept retiree coverage at a 10% rate. Covered employees are assumed to remain covered until retirement.

Expenses:

Expenses are included in the Per Capita Costs.

**Expected Retiree
Contributions:**

Members are required to make monthly contributions in order to maintain their coverage. For the purpose of this Valuation a weighted average between plan options (Partnership, Standard, Limited) and carriers has been used with weights derived from the current distribution of members among plans offered. Such average expected retiree premium contributions for the first year, before any direct subsidies are shown in the table below.

Average Premium (as of Valuation Date)	
Retiree	\$ 548.00
Spouse	\$ 522.00

Health Care Cost Trend Rates: Monthly Per Capita Costs (PCC) and Retiree Contributions for Medical and Rx benefits are assumed to increase each year according to the rates set forth in the following table. For example, the Per Capita Costs for the year beginning on 1/1/2016 are expected to increase by 6.50% over the rates for the year beginning on 1/1/2015. Premiums for the year beginning on 1/1/2016 are expected to decrease by 1.25% over the rates for the year beginning on 1/1/2015 based on actual premiums established for that year with the carriers.

The trend rate for the costs of benefits and premiums for years after 2016 are based on the forecasting model built and published (December 2007, as updated November 2015) in *Modeling Long-Term Health Care Cost Trends* sponsored by the Society of Actuaries and authored by Prof. Thomas E. Getzen. The long term rates reflect a 2.5% assumed ultimate inflation rate, 25% resistance level for health care spending as a percent of GDP and a 34-year convergence period.

The rates presented below illustrate assumed medical cost inflation in the absence of the Excise Tax on High-Cost Employer Health Plans.

Annual Increase Rates					
Year of Increase	Medical/Rx	Contribution	Year of Increase	Medical/Rx	Contribution
2016	6.50%	-1.25%	2024	5.06%	5.06%
2017	6.00%	6.00%	2025	5.02%	5.02%
2018	5.75%	5.75%	2026	4.97%	4.97%
2019	5.50%	5.50%	2027	4.97%	4.97%
2020	5.25%	5.25%	2028	4.97%	4.97%
2021	5.20%	5.20%
2022	5.16%	5.16%	2050	4.35%	4.35%
2023	5.11%	5.11%	Ultimate	4.35%	4.35%

CONSIDERATION OF HEALTH CARE REFORM

Summary of Selected Provisions and their effects

Excise Tax on High-Cost Employer Health Plans (aka Cadillac Tax) Effective 1/1/2020 The “Cadillac” tax is a 40% excise tax paid by the coverage provider (employer and/or insurer) on the value of health plan costs in excess of certain thresholds. The thresholds for active employees and Medicare eligible retirees are \$10,200 for single coverage or \$27,500 for family coverage in 2018 and will be increased for inflation in 2020. Respective thresholds for retirees not eligible for Medicare are \$11,850 and \$30,950 for the year 2018 increased for inflation to 2020. Many plans are below the thresholds today, but are likely to exceed them in the next decade. The thresholds will be indexed at CPI-U, which is lower than the medical inflation rates affecting the cost of the plans. There is considerable uncertainty about how the tax would be applied, and considerable latitude in grouping of participants for tax purposes. Combining early retiree and Medicare eligible retiree costs is allowed and can keep plans under the thresholds for a longer period of time.

Should the excise tax ever become applicable, the Plan will be the coverage provider paying the tax which will be passed on to the employers in the form of increased premiums applicable to employees and retirees. The State will need to decide whether to reduce benefits to avoid the tax, or how the additional cost will be allocated between the employer and the members. GASB does not permit recognition of future plan changes in a valuation, so the net claims growth assumption (reflected in the long-term trends) will be based on the current plan design.

Based on the assumptions used for this Valuation, premiums applicable to retirees are not projected to become subject to excise tax at least until 2030. Although the amount of tax initially assessed on the health insurance premiums is not expected to be significant, it will increase over time. We are modeling the impact of the tax by adding 0.30% to the assumed medical trend rates for the 2030 plan year and for all subsequent years.

Comparative Effectiveness Research Fee: PPACA established the Patient-Centered Outcomes Research Institute (the Institute) to conduct research to determine which of two or more treatments works best when applied to actual patients in the “real world.” The work of the Institute is partially funded by a fee on health insurers and self-funded group health plans. This is deemed to be included in the initial per capita trend with no further adjustments.

Health Insurance Industry Fee: This fee on health insurers (including HMOs) starts at \$8 billion in 2014 and increases year over year before reaching \$14.3 billion in 2018. After 2018, it will continue to increase with premium growth. The fee, which applies only to insured business, will be based on each insurer’s share of the taxable health insurance premium base (among all health insurers of U.S. health risks). This fee does not apply to the self-insured plans and is not affecting plans administered by the State.

Reinsurance Assessment: This assessment on health plans totals \$25 billion, which will be collected over the three-year period from 2014 through 2016. The majority of the money will be used to fund a reinsurance program, which is intended to lessen the impact of high-dollar claims in the individual market. The assessment applies to both insured and self-funded commercial major medical plans. For an insured plan, the assessment is the responsibility of the health insurer. For a self-funded plan, the

assessment is the employer's responsibility, but an employer may choose to have a third party administrator facilitate the payment on behalf of the plan. This is deemed to be included in the initial per capita trend with no further adjustments.

Implementation of the new requirements: We have not identified any other specific provision of health care reform that would be expected to have a significant impact on the measured obligation. As additional guidance on the legislation is issued we will review and monitor the impact.

MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

Decrement Timing:	Decrements of all types are assumed to occur at the middle of the year.
Eligibility Testing:	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
Decrement Relativity:	Decrement rates are treated as absolute rates of decrement.
Adjustments:	None.
Decrement Operation:	All decrements operate simultaneously. Disability and termination rates cease upon eligibility for normal or early retirement

DEFINITIONS OF TECHNICAL TERMS

Actuarial Accrued Liability:	Actuarial Accrued Liability is the actuarial present value of projected future benefits that are attributable to an employees' service to date. Sometimes it is expressed as the difference between the actuarial present value of all future benefit payments and the actuarial present value of future normal costs.
Actuarial Assumptions:	These are factors for estimating expected future experience with respect to occurrences of mortality, disability, turnover, retirement, rates of investment income and salary increases, coverage acceptance, trend, aging, etc.
Actuarial Cost Method:	This is a mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future benefit payments" between future normal costs and actuarial accrued liabilities. It is often referred to as the "Actuarial Funding Method" or "Actuarial Valuation Cost Method".
Actuarial Present Value:	Actuarial Present Value of a series of expected payments (or a single payment) is the amount of funds currently required to provide those expected payments in the future. This amount is determined by discounting future payments at predetermined rates of interest, taking into account the probability of payment. It is also referred to as "Present Value."
Amortization:	Amortization is a process of paying off, or recognizing, an interest-discounted amount with periodic payments of interest and principal, (similar to paying off an installment loan) -- as opposed to paying it off with a single sum.
Annual Required Contribution (ARC):	The ARC is the portion of the present value of projected benefits that is attributable to the current period. Usually it is determined as the normal cost (as defined below) plus the portion of the unfunded actuarial accrued liability amortized in the current period. The ARC is an amount that is actuarially determined to ensure that, if paid on an ongoing basis, it would provide sufficient resources for future benefit payments.
Normal Cost:	Normal Cost is the actuarial cost of a portion of projected future benefits allocated to the current year by the Actuarial Cost Method. It is sometimes referred to as "Current Service Cost."
Unfunded Actuarial Accrued Liability (UAAL):	UAAL is the difference between actuarial accrued liability and the actuarial value of plan assets.

SECTION E

SUMMARY OF SUBSTANTIVE PLAN PROVISIONS

LOCAL EDUCATION EMPLOYEE GROUP INSURANCE PLAN

SUMMARY OF SUBSTANTIVE PLAN PROVISIONS AS OF JULY 1, 2015

ELIGIBILITY FOR RETIREMENT

All retirees of participating Local Education Agencies retired upon satisfying the Disability, or Early or Normal Retirement provisions of the Tennessee Consolidated Retirement System (TCRS) may be eligible for certain post-employment benefits under the Local Education Employee Group Plan. Any employee becoming a member of TCRS on or after July 1, 1976 and through June 30, 2014 enters TCRS *Group I* regardless of employment classification. The following outlines the *Group I* eligibility requirements for retirement under the Tennessee Consolidated Retirement System (TCRS):

VESTED TERMINATION	Full vesting starts after 5 years of creditable service. However, no other postemployment benefits are available under the Local Education Plan to employees not meeting criteria described below.
25-YEAR RETIREMENT	Reduced pension benefit upon completion of 25 years of service at any age.
EARLY RETIREMENT	Age 55 and vested.
SERVICE RETIREMENT	Earlier of (i) Age 60 and vested, or (ii) Any age with 30 years of creditable service.

ELIGIBILITY FOR RETIREE INSURANCE COVERAGE

TCRS PARTICIPANTS insurance	10 years of employment with the employer and 3 continuous years of coverage in the plan immediately prior to final termination for retirement, or
coverage	20 or more years of employment with the employer and 1 year insurance in the plan immediately prior to final termination for retirement. If the individual is retiring through TCRS, they must be receiving a monthly retirement benefit to continue coverage as a retiree. TCRS participants who choose a lump-sum retirement benefit are not eligible to continue insurance at retirement.
OTHER PARTICIPANTS	For employees who elected to participate in a retirement program sponsored by a participating local education agency (other than TCRS), the following rules apply: Age 55 with at least 10 but less than 20 total years of employment with the employer and 3 continuous years of insurance coverage in the plan immediately prior to final termination for retirement, or

Age 55 and 20 or more years of employment with the employer and 1 year of insurance coverage in the plan immediately prior to final termination for retirement, or

25 years of employment with the employer and 1 year of insurance coverage in the plan immediately prior to final termination for retirement.

Eligible school board members must be enrolled in the plan for at least one full year immediately prior to retirement, AND must be age 55 with at least 20 years of service as a member of the same school board from which they retire or 30 years of service as a member of the same school board from which they retire at any age.

DISABLED RETIREES

Retirees who were insured through a participating local education agency at the time of an injury or illness which resulted in their disability may continue coverage provided that no lapse in medical coverage has occurred by meeting either the requirements for TCRS participants or for non-TCRS participants outlined above, or by having at least five years employment with the employer immediately prior to final termination due to disability.

Individuals eligible to combine creditable state service with creditable local education service will be classified as a retiree under the plan from which employment was terminated immediately preceding retirement. For example, if an individual worked for a participating local education agency for 10 years, then worked for a state agency for 10 years and then retires, that individual will be considered a state retiree with 20 years of service for insurance purposes.

OTHER POST-EMPLOYMENT BENEFITS- FOR MEDICAL COVERAGE UNDER “THE LOCAL EDUCATION EMPLOYEE GROUP PLAN”

Certain Other Post-Employment Benefits (OPEB) are available to current retirees and all employees retiring from the Local Education Agencies under the provisions of Disability, Early or Normal Retirement, as described above. With exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the plan upon attaining age 65. In addition to subsidies that may be provided by the local education employers for retiree premiums the OPEB benefits include access to coverage for the retiree and dependents under the Medical, Prescription, Dental, Vision, and Long Term Care as described below.

HEALTH-RELATED BENEFITS

Eligible retirees may choose among the same Medical Plan options available for similarly situated active employees of the employer. Dependents of retirees who continue to meet eligibility requirements may be covered at the retiree's option the same as dependents of active employees, provided those dependents were already enrolled in the Plan when the retiree's active coverage was terminated or they became eligible based on a special enrollment provision. Prescription Drug coverage is automatically extended to retirees and their dependents who continue coverage under any one of the Medical Plan options. Covered retirees and their dependents are subject to the same Medical and Prescription benefits as are active employees. Totally and permanently disabled pre-65 retirees may continue medical coverage. Disabled retirees under age 65 who are eligible for Medicare must maintain at least Part B coverage. Retirees and their dependents that are age-eligible for Medicare benefits are not eligible to remain in the Local Education Employee Group Insurance Plan, but may apply for the Medicare Supplement plan (The Tennessee Plan). Retirees not eligible for Medicare benefits are allowed to remain on the core Local Education Plan, with the plan as a primary payor. If the retiree later becomes eligible for Medicare Part A by virtue of a spouse's eligibility, the coverage will be terminated.

DENTAL, VISION AND LONG TERM CARE BENEFITS

Dental, vision and long term care benefits for retirees and their dependents are fully paid by the retirees, as they are by employees and their dependents. Consequently, these benefits are not considered as other post-employment benefits for the purposes of GASB Statement No. 45.

SURVIVORSHIP BENEFITS

The surviving dependents of a retiree may stay in the plan at no cost for up to six months. Afterwards, the surviving dependents are eligible to continue coverage under the Local Education Employee Group Plan subject to payments of the applicable premiums. The surviving dependents must continue to meet eligibility requirements to remain enrolled in the plan.

RETIREE CONTRIBUTIONS FOR MEDICAL/PRESCRIPTION COVERAGE

In order to begin and maintain retiree Medical/Prescription coverage, premium contributions are required from the retiree. For dependent coverage, the retiree is required to pay a premium as well. If any required amounts are not paid timely, the coverage for the retiree and/or the dependent(s) will cease. Annual plan premium increases impact the amount of contributions required for retiree and dependent.

The chart below summarizes the current total monthly contribution amounts required from retirees and their dependents to maintain medical/prescription coverage. These rates went into effect on January 1, 2015. Coverage for children of retirees is available (until their limiting age). However, for measuring the long term costs, the relatively few children covered by retirees coupled with the short duration of their coverage remaining results in costs that are not material in the long term. Consequently, only spouses are included in the valuation.

Gross Premium Rates Applicable to Retirees of Local Education Agencies as of January 1, 2015				
	East Tennessee		West Tennessee	
	BCBST	CIGNA	BCBST	CIGNA
PARTNERSHIP PPO				
Retiree Only	\$540.71	\$560.71	\$560.71	\$540.71
Retiree + Child(ren)	\$892.18	\$932.18	\$932.18	\$892.18
Retiree + Spouse	\$1,054.39	\$1,094.39	\$1,094.39	\$1,054.39
Retiree + Spouse + Child(ren)	\$1,405.85	\$1,445.85	\$1,445.85	\$1,405.85
Spouse Only	\$513.68	\$533.68	\$533.68	\$513.68
Child(ren) Only	\$351.47	\$371.47	\$371.47	\$351.47
Spouse + Child(ren)	\$865.14	\$905.14	\$905.14	\$865.14
STANDARD PPO				
Retiree Only	\$565.71	\$585.71	\$585.71	\$565.71
Retiree + Child(ren)	\$917.18	\$957.18	\$957.18	\$917.18
Retiree + Spouse	\$1,104.39	\$1,144.39	\$1,144.39	\$1,104.39
Retiree + Spouse + Child(ren)	\$1,455.85	\$1,495.85	\$1,495.85	\$1,455.85
Spouse Only	\$538.68	\$558.68	\$558.68	\$538.68
Child(ren) Only	\$351.47	\$371.47	\$371.47	\$351.47
Spouse + Child(ren)	\$890.14	\$930.14	\$930.14	\$890.14

Gross Premium Rates Applicable to Retirees of Local Education Agencies as of January 1, 2015				
	East Tennessee		West Tennessee	
	BCBST	CIGNA	BCBST	CIGNA
LIMITED PPO				
Retiree Only	\$346.06	\$366.06	\$366.06	\$346.06
Retiree + Child(ren)	\$571.00	\$611.00	\$611.00	\$571.00
Retiree + Spouse	\$674.81	\$714.81	\$714.81	\$674.81
Retiree + Spouse + Child(ren)	\$899.75	\$939.75	\$939.75	\$899.75
Spouse Only	\$328.76	\$348.76	\$348.76	\$328.76
Child(ren) Only	\$224.94	\$244.94	\$244.94	\$224.94
Spouse + Child(ren)	\$553.69	\$593.69	\$593.69	\$553.69

Gross Premium Rates Applicable to Retirees of Local Education Agencies as of January 1, 2015		
	Middle Tennessee	
	BCBST and CIGNA LOCAL PLUS	CIGNA OPEN ACCESS
PARTNERSHIP PPO		
Retiree Only	\$540.71	\$560.71
Retiree + Child(ren)	\$892.18	\$932.18
Retiree + Spouse	\$1,054.39	\$1,094.39
Retiree + Spouse + Child(ren)	\$1,405.85	\$1,445.85
Spouse Only	\$513.68	\$533.68
Child(ren) Only	\$351.47	\$371.47
Spouse + Child(ren)	\$865.14	\$905.14
STANDARD PPO		
Retiree Only	\$565.71	\$585.71
Retiree + Child(ren)	\$917.18	\$957.18
Retiree + Spouse	\$1,104.39	\$1,144.39
Retiree + Spouse + Child(ren)	\$1,455.85	\$1,495.85
Spouse Only	\$538.68	\$558.68
Child(ren) Only	\$351.47	\$371.47
Spouse + Child(ren)	\$890.14	\$930.14
LIMITED PPO		
Retiree Only	\$346.06	\$366.06
Retiree + Child(ren)	\$571.00	\$611.00
Retiree + Spouse	\$674.81	\$714.81
Retiree + Spouse + Child(ren)	\$899.75	\$939.75
Spouse Only	\$328.76	\$348.76
Child(ren) Only	\$224.94	\$244.94
Spouse + Child(ren)	\$553.69	\$593.69

STATE-PROVIDED SUBSIDY FOR MEDICAL/PRESCRIPTION COVERAGE

For Instructional Staff (teachers), the premiums are reduced according to time of creditable service at retirement. This subsidy is paid for by the State of Tennessee and is calculated based on premiums applicable to the lowest cost carrier in the Partnership Plan.

Teachers Monthly Premium Contribution	
30+ years of service	55%
20-29 years of service	65%
15-19 years of service	75%
Support Staff	100%

EMPLOYER-PROVIDED SUBSIDY FOR MEDICAL/PRESCRIPTION COVERAGE

The tables below summarize the current total monthly subsidy amount provided by the listed Local Education employers (any local education employer not listed below does not offer any direct premium subsidies, eligible teachers retired from unlisted employers receive State subsidy only). These subsidy amounts are based on premium rates that became effective on January 1, 2015. Coverage for children of retirees is available (until their limiting age). However, for measuring the long term costs, the relatively few children covered by retirees coupled with the short duration of their coverage remaining results in costs that are not material in the long term. Consequently, only spouses are included in the valuation.

L.E.A.	Service Requirement	PPO Partnership Low Cost Carrier		PPO Standard Low Cost Carrier		PPO Limited Low Cost Carrier		PPO Partnership High Cost Carrier		PPO Standard High Cost Carrier		PPO Limited High Cost Carrier	
		Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse
Alcoa City Schools	Instructional Staff - 30 + Yrs	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	Instructional Staff - 25-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	Instructional Staff - 10-19	\$405.54	\$405.54	\$430.54	\$430.54	\$259.54	\$259.54	\$425.54	\$425.54	\$450.54	\$450.54	\$279.54	\$279.54
	Support Staff- Meets TCRS Eligibility	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06
Athens City Schools	Instructional Staff - 30 + Yrs, (includes 5 Yrs w/ ACS, remaining teaching or admin for education), for up to 5 years or until Medicare Eligible	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67
	Instructional Staff - 25-29 Yrs, (includes 5 Yrs w/ ACS, remaining teaching or admin for education), for up to 5 years or until Medicare Eligible	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34
	Support Staff - 30 + Yrs, (includes 5 Yrs w/ ACS, remaining teaching or admin for education), for up to 5 years or until Medicare Eligible	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67
	Support Staff - 25-29 Yrs, (includes 5 Yrs w/ ACS, remaining teaching or admin for education), for up to 5 years or until Medicare Eligible	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34	\$83.34

L.E.A.	Service Requirement	PPO Partnership Low Cost Carrier		PPO Standard Low Cost Carrier		PPO Limited Low Cost Carrier		PPO Partnership High Cost Carrier		PPO Standard High Cost Carrier		PPO Limited High Cost Carrier	
		Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse
Bradley County BOE	30+	\$281.62	\$281.62	\$281.62	\$281.62	\$190.33	\$190.33	\$301.62	\$301.62	\$301.62	\$301.62	\$0.00	\$0.00
	20-29	\$281.62	\$281.62	\$281.62	\$281.62	\$190.33	\$190.33	\$301.62	\$301.62	\$301.62	\$301.62	\$0.00	\$0.00
	<20	\$281.62	\$281.62	\$281.62	\$281.62	\$190.33	\$190.33	\$301.62	\$301.62	\$301.62	\$301.62	\$0.00	\$0.00
	Support Staff - 30+	\$512.04	\$512.04	\$512.04	\$512.04	\$346.06	\$346.06	\$532.04	\$532.04	\$532.04	\$532.04	\$0.00	\$0.00
	Support Staff - 20-29	\$460.83	\$460.83	\$460.83	\$460.83	\$311.45	\$311.45	\$480.83	\$480.83	\$480.83	\$480.83	\$0.00	\$0.00
	Support Staff - 20-15	\$409.63	\$409.63	\$409.63	\$409.63	\$276.85	\$276.85	\$429.63	\$429.63	\$429.63	\$429.63	\$0.00	\$0.00
Bristol TN City Schools	Instructional Staff - 30 + Yrs; if disabled, 8 continuous years must be w/ BTCS	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
	Instructional Staff - Age 60; if disabled, 8 continuous years must be w/ BTCS	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
	Support Staff - 30 + Yrs; if disabled, 8 continuous years must be w/ BTCS	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
	Support Staff - Age 60; if disabled, 8 continuous years must be w/ BTCS	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
Campbell County Schools	30+	\$297.39	\$405.53	\$322.39	\$424.28	\$190.33	\$259.54	\$317.39	\$420.53	\$342.39	\$439.28	\$210.33	\$274.55
	20-29	\$351.46	\$405.53	\$376.46	\$424.28	\$224.94	\$259.54	\$371.46	\$420.53	\$396.46	\$439.28	\$244.94	\$274.55
Carter County Schools	30+	\$222.01	\$317.72	\$229.51	\$383.08	\$190.33	\$259.80	\$282.08	\$317.72	\$235.51	\$383.08	\$190.33	\$259.80
	20-29	\$276.08	\$423.16	\$283.58	\$488.52	\$224.94	\$219.05	\$276.08	\$423.16	\$283.58	\$357.01	\$224.94	\$327.28
	<20	\$330.16	\$528.60	\$337.66	\$593.96	\$259.54	\$394.76	\$330.16	\$528.60	\$337.66	\$593.96	\$259.54	\$394.76
	Support Staff - 30+	\$222.01	\$317.72	\$229.51	\$383.08	\$190.33	\$259.80	\$282.08	\$317.72	\$235.51	\$383.08	\$190.33	\$259.80
	Support Staff - 20-29	\$276.08	\$423.16	\$283.58	\$488.52	\$224.94	\$219.05	\$276.08	\$423.16	\$283.58	\$357.01	\$224.94	\$327.28
	Support Staff - <20	\$330.16	\$528.60	\$337.66	\$593.96	\$259.54	\$394.76	\$330.16	\$528.60	\$337.66	\$593.96	\$259.54	\$394.76
Cheatham County Schools	30+	\$297.39	\$579.92	\$322.39	\$629.92	\$190.33	\$371.15	\$317.39	\$619.92	\$342.39	\$669.92	\$210.33	\$411.15
	20-29	\$351.46	\$685.36	\$376.46	\$735.36	\$224.94	\$438.63	\$371.46	\$725.36	\$396.46	\$775.36	\$244.94	\$478.63
Cleveland City Schools	Instructional Staff - 15+ Yrs	\$364.99	\$364.99	\$387.49	\$387.49	\$233.59	\$233.59	\$382.99	\$382.99	\$405.49	\$405.49	\$251.59	\$251.59
	Support Staff - 15+ Yrs	\$486.64	\$486.64	\$480.85	\$480.85	\$311.45	\$311.45	\$504.64	\$504.64	\$497.85	\$497.85	\$329.45	\$329.45
Cocke County Schools	30+	\$297.39	\$297.39	\$297.39	\$297.39	\$0.00	\$0.00	\$297.39	\$297.39	\$297.39	\$297.39	\$0.00	\$0.00
	Support	\$540.71	\$540.71	\$540.71	\$540.71	\$0.00	\$0.00	\$540.71	\$540.71	\$540.71	\$540.71	\$0.00	\$0.00
Coffee County Schools	All levels	\$297.39	\$297.39	\$311.14	\$311.14	\$0.00	\$0.00	\$308.39	\$308.39	\$322.14	\$322.14	\$0.00	\$0.00
Cumberland County Schools	30+	\$297.39	\$540.71	\$297.39	\$540.71	\$190.33	\$346.06	\$317.39	\$560.17	\$317.39	\$560.17	\$210.33	\$366.06
	20-29	\$243.32	\$474.48	\$243.32	\$474.48	\$155.73	\$303.66	\$252.32	\$492.48	\$252.32	\$492.48	\$164.73	\$321.66
	Support	\$540.17	\$540.17	\$540.17	\$540.17	\$346.06	\$346.06	\$560.71	\$560.71	\$560.71	\$560.71	\$366.06	\$366.06
Dickson County BOE	30+	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36
	20-29	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36
	<20	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36
Dyer County BOE	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	20-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	Support	\$364.55	\$364.55	\$381.41	\$381.41	\$0.00	\$0.00	\$378.03	\$378.03	\$394.89	\$394.89	\$0.00	\$0.00
Dyersburg City Schools	Instructional Staff - 30 + Yrs (includes 20 Yrs w/ Dyersburg City Schools, remaining w/ TCRS)	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	Support Staff - 30 + Yrs (all w/ Dyersburg City Schools)	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06
Elizabethton City Schools	Instructional Staff - 30 + Yrs and Age 55	\$297.39	\$297.39	\$297.39	\$297.39	\$190.33	\$190.33	\$317.39	\$317.39	\$317.39	\$317.39	\$210.33	\$210.33
	Instructional Staff - 20-29 Yrs and Age 55	\$351.46	\$351.46	\$351.46	\$351.46	\$224.94	\$224.94	\$371.46	\$371.46	\$371.46	\$371.46	\$244.94	\$244.94
	Instructional Staff - <20 Yrs and Age 55	\$405.54	\$405.54	\$405.54	\$405.54	\$259.54	\$259.54	\$425.54	\$425.54	\$425.54	\$425.54	\$279.54	\$279.54
	Support Staff - 10 + Yrs and Age 55	\$540.71	\$540.71	\$540.71	\$540.71	\$346.06	\$346.06	\$560.71	\$560.71	\$560.71	\$560.71	\$366.06	\$366.06
Fentress County Schools	30+	\$103.81	\$190.77	\$103.81	\$190.77	\$103.81	\$190.77	\$103.81	\$190.77	\$103.81	\$190.77	\$103.81	\$190.77

L.E.A.	Service Requirement	PPO Partnership Low Cost Carrier		PPO Standard Low Cost Carrier		PPO Limited Low Cost Carrier		PPO Partnership High Cost Carrier		PPO Standard High Cost Carrier		PPO Limited High Cost Carrier	
		Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse
Franklin Co Schools	Retiring after 12/31/14: 30+	\$243.32	\$243.32	\$243.32	\$243.32	\$190.33	\$190.33	\$243.32	\$243.32	\$243.32	\$243.32	\$0.00	\$0.00
	Retiring after 12/31/14: 20-29	\$243.32	\$243.32	\$243.32	\$243.32	\$190.33	\$190.33	\$243.32	\$243.32	\$243.32	\$243.32	\$0.00	\$0.00
	Retiring after 12/31/14: 260 Day Employees 20 YOS (age 60+)	\$486.64	\$486.64	\$486.64	\$486.64	\$311.45	\$311.45	\$486.64	\$486.64	\$486.64	\$486.64	\$0.00	\$0.00
	Retiring after 12/31/14: 180 Day Employees 25 YOS (age 62+)	\$486.64	\$486.64	\$486.64	\$486.64	\$311.45	\$311.45	\$486.64	\$486.64	\$486.64	\$486.64	\$0.00	\$0.00
	Retiring prior to 12/31/14: 30+	\$297.39	\$297.39	\$308.39	\$308.39	\$190.33	\$190.33	\$311.14	\$311.14	\$322.14	\$322.14	\$0.00	\$0.00
	Retiring prior to 12/31/14: 20-29	\$297.39	\$297.39	\$308.39	\$308.39	\$190.33	\$190.33	\$311.14	\$311.14	\$322.14	\$322.14	\$0.00	\$0.00
	Retiring prior to 12/31/14: 260 Day Employees 20 YOS (age 60+)	\$540.71	\$540.71	\$560.71	\$560.71	\$311.45	\$311.45	\$565.71	\$565.71	\$585.71	\$585.71	\$0.00	\$0.00
	Retiring prior to 12/31/14: 180 Day Employees 25 YOS (age 62+)	\$486.64	\$486.64	\$504.64	\$504.64	\$311.45	\$311.45	\$509.14	\$509.14	\$527.14	\$527.14	\$0.00	\$0.00
Franklin Special School District	Instructional Staff - 30 + Yrs, until Age 65, DOH prior to 2009	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	Instructional Staff - 20-29 Yrs, until Age 65, DOH prior to 2009	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	Instructional Staff - <20 Yrs, until Age 65, DOH prior to 2009	\$405.54	\$405.54	\$430.54	\$430.54	\$259.54	\$259.54	\$425.54	\$425.54	\$450.54	\$450.54	\$279.54	\$279.54
	Support Staff - 10 + Yrs & Age 55, DOH prior to 2009	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06
Giles County Schools	All levels	\$297.39	\$297.39	\$297.39	\$297.39	\$190.33	\$190.33	\$317.39	\$317.39	\$317.39	\$317.39	\$210.33	\$210.33
	Support Staff - 30 + Yrs	\$297.39	\$297.39	\$297.39	\$297.39	\$190.33	\$190.33	\$317.39	\$317.39	\$317.39	\$317.39	\$210.33	\$210.33
Grainger County Schools	All levels	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
	30+	\$281.62	\$281.62	\$306.62	\$306.62	\$190.33	\$190.33	\$301.62	\$301.62	\$326.62	\$326.62	\$224.94	\$224.94
	20-29	\$332.83	\$332.83	\$357.83	\$357.83	\$242.24	\$242.24	\$352.83	\$352.83	\$326.62	\$326.62	\$224.94	\$224.94
	Support	\$512.04	\$512.04	\$512.04	\$512.04	\$346.06	\$346.06	\$512.04	\$512.04	\$512.04	\$512.04	\$366.06	\$366.06
Greenville City Schools	Instructional Staff - 30 + Yrs	\$297.39	\$297.39	\$297.39	\$297.39	\$190.33	\$190.33	\$297.39	\$297.39	\$297.39	\$297.39	\$210.33	\$210.33
	Instructional Staff - 20-29 Yrs	\$351.46	\$351.46	\$351.46	\$351.46	\$224.94	\$224.94	\$351.46	\$351.46	\$351.46	\$351.46	\$244.94	\$244.94
	Instructional Staff - <20 Yrs	\$405.54	\$405.54	\$405.54	\$405.54	\$259.54	\$259.54	\$405.54	\$405.54	\$405.54	\$405.54	\$279.54	\$279.54
	Support Staff - All	\$540.71	\$540.71	\$540.71	\$540.71	\$346.06	\$346.06	\$540.71	\$540.71	\$540.71	\$540.71	\$366.06	\$366.06
Hamblen County Schools	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	20-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	<20	\$405.54	\$405.54	\$430.54	\$430.54	\$259.54	\$259.54	\$425.54	\$425.54	\$450.54	\$450.54	\$279.54	\$279.54
	Support	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06
Hardin County Schools	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$0.00	\$0.00	\$317.39	\$317.39	\$342.39	\$342.39	\$0.00	\$0.00
	Support	\$540.71	\$540.71	\$565.71	\$565.71	\$0.00	\$0.00	\$560.71	\$560.71	\$585.71	\$585.71	\$0.00	\$0.00
Hawkins County Schools	30+	\$167.62	\$326.86	\$186.62	\$364.86	\$107.28	\$209.20	\$182.82	\$357.26	\$201.82	\$395.26	\$122.48	\$239.60
	20-29	\$221.69	\$432.30	\$240.69	\$470.30	\$141.89	\$276.68	\$236.89	\$462.70	\$255.89	\$500.70	\$157.09	\$307.08
	<20	\$275.76	\$537.74	\$294.76	\$575.74	\$176.49	\$344.15	\$290.96	\$568.14	\$309.96	\$606.14	\$191.69	\$374.56
	Support	\$410.94	\$801.34	\$429.94	\$839.34	\$263.01	\$512.86	\$426.14	\$831.74	\$445.14	\$869.74	\$278.21	\$543.26
Hickman County Schools	30+	\$297.39	\$316.32	\$311.14	\$331.32	\$190.33	\$202.44	\$308.39	\$328.32	\$322.14	\$343.32	\$201.33	\$214.44
	25-29	\$243.32	\$263.60	\$254.57	\$276.10	\$155.73	\$168.70	\$252.32	\$273.60	\$263.57	\$286.10	\$164.73	\$178.70
	<25	\$189.25	\$158.16	\$198.00	\$165.66	\$121.12	\$101.22	\$196.25	\$164.16	\$205.00	\$171.66	\$128.12	\$107.22
Henry County BOE	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	25-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
Humboldt City Schools	Instructional Staff - 20+ Yrs	\$351.46	\$351.46	\$351.46	\$351.46	\$224.94	\$224.94	\$351.46	\$351.46	\$351.46	\$351.46	\$224.94	\$224.94
	Instructional Staff - 10-19 Yrs	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36
	Instructional Staff - 5-9 Yrs	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18
	Support Staff - 20+ Yrs	\$540.71	\$540.71	\$540.71	\$540.71	\$346.06	\$346.06	\$540.71	\$540.71	\$540.71	\$540.71	\$366.06	\$366.06
	Support Staff - 10-19 Yrs	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36	\$270.36
	Support Staff - 5-9 Yrs	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18	\$135.18

L.E.A.	Service Requirement	PPO Partnership Low Cost Carrier		PPO Standard Low Cost Carrier		PPO Limited Low Cost Carrier		PPO Partnership High Cost Carrier		PPO Standard High Cost Carrier		PPO Limited High Cost Carrier	
		Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse
Humphreys County Schools	30+	\$297.39	\$579.92	\$322.39	\$629.92	\$0.00	\$0.00	\$317.39	\$619.92	\$342.39	\$669.92	\$0.00	\$0.00
	20-29	\$351.46	\$685.36	\$376.46	\$735.36	\$0.00	\$0.00	\$371.46	\$725.36	\$396.46	\$775.36	\$0.00	\$0.00
	<20	\$405.54	\$790.80	\$430.54	\$775.36	\$0.00	\$0.00	\$425.54	\$830.80	\$450.54	\$880.80	\$0.00	\$0.00
Jackson-Madison County BOE	30+	\$120.84	\$40.26	\$120.84	\$46.62	\$121.47	\$24.11	\$120.84	\$42.12	\$120.84	\$64.62	\$121.47	\$42.11
	20-29	\$174.91	\$145.70	\$174.91	\$152.00	\$156.08	\$91.59	\$174.91	\$131.33	\$174.91	\$170.06	\$156.08	\$109.59
	<20	\$228.99	\$251.14	\$228.99	\$257.50	\$190.68	\$159.07	\$228.99	\$220.55	\$228.99	\$275.50	\$190.68	\$177.07
	Support	\$364.16	\$514.73	\$364.16	\$521.09	\$277.10	\$327.77	\$364.16	\$443.59	\$277.20	\$539.09	\$277.20	\$345.77
Jefferson County Schools	30+ (includes 5 Yrs w/ Jefferson County Schools, remaining TCRS)	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	Age 60 & 25-29 Yrs (includes 5 Yrs w/ Jefferson County Schools, remaining w/ TCRS)	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	Age 60 & 20-24 Yrs (includes 5 Yrs w/ Jefferson County Schools, remaining w/ TCRS)	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	Age 60 & <20 Yrs (includes 5 Yrs w/ Jefferson County Schools, remaining w/ TCRS)	\$405.54	\$405.54	\$430.54	\$430.54	\$259.54	\$259.54	\$425.52	\$425.52	\$450.54	\$450.54	\$279.54	\$279.54
	Support - Age 60 (includes 5 Yrs w/ Jefferson County Schools, remaining w/ TCRS)	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06
Johnson County BOE	30+	\$413.50	\$413.50	\$413.50	\$413.50	\$0.00	\$0.00	\$413.50	\$413.50	\$413.50	\$413.50	\$0.00	\$0.00
	25-29	\$349.90	\$349.90	\$349.90	\$349.90	\$0.00	\$0.00	\$349.90	\$349.90	\$349.90	\$349.90	\$0.00	\$0.00
	20-24	\$286.29	\$286.29	\$286.29	\$286.29	\$0.00	\$0.00	\$286.29	\$286.29	\$286.29	\$286.29	\$0.00	\$0.00
	Support 30+	\$540.71	\$540.71	\$540.71	\$540.71	\$0.00	\$0.00	\$540.71	\$540.71	\$540.71	\$540.71	\$0.00	\$0.00
	Support 20-29	\$405.53	\$405.53	\$405.53	\$405.53	\$0.00	\$0.00	\$405.53	\$405.53	\$405.53	\$405.53	\$0.00	\$0.00
	Support 20-24	\$324.42	\$324.42	\$324.42	\$324.42	\$0.00	\$0.00	\$324.42	\$324.42	\$324.42	\$324.42	\$0.00	\$0.00
Lake County Schools	All Non-Support	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00
	Support	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00
Lauderdale County Schools	All levels	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Lawrence County Schools	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	20-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	<20	\$405.54	\$405.54	\$430.54	\$430.54	\$259.54	\$259.54	\$425.54	\$425.54	\$450.54	\$450.54	\$279.54	\$279.54
	Support	\$486.64	\$486.64	\$509.74	\$509.74	\$311.45	\$311.45	\$504.64	\$504.64	\$527.14	\$527.14	\$329.45	\$329.45
Lebanon Special School District	Instructional Staff - 25 Yrs & Age 53	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	Support Staff - 25 Yrs & Age 53	\$470.42	\$470.42	\$492.17	\$492.17	\$303.78	\$303.78	\$470.42	\$470.42	\$492.17	\$492.17	\$303.78	\$303.78
Lenoir City Schools	Instructional Staff - Eligible for TCRS Retirement, Until Age 65 or Medicare Eligible	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00
Loudon County Schools	30+	\$150.00	\$150.00	\$150.00	\$150.00	\$0.00	\$0.00	\$150.00	\$150.00	\$150.00	\$150.00	\$0.00	\$0.00
Macon County Schools	Non-support 30+	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00
Manchester City Schools	Instructional Staff - 30+ Yrs (includes 10 Yrs w/ Manchester CS); Until Age 65 or Medicare Eligible	\$163.56	\$163.56	\$177.31	\$177.31	\$104.68	\$104.68	\$174.56	\$174.56	\$188.31	\$188.31	\$115.68	\$115.68
	Instructional Staff - Age 60 & <30 Yrs (includes 10 Yrs w/ Manchester CS). Until Age 65 or Medicare Eligible	\$223.05	\$223.05	\$236.80	\$236.80	\$142.75	\$142.75	\$234.05	\$234.05	\$247.80	\$247.80	\$153.75	\$153.75
	Support Staff - Age 62 & 25+ Yrs (all with Manchester CS). Until Age 65 or Medicare Eligible	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06

L.E.A.	Service Requirement	PPO Partnership Low Cost Carrier		PPO Standard Low Cost Carrier		PPO Limited Low Cost Carrier		PPO Partnership High Cost Carrier		PPO Standard High Cost Carrier		PPO Limited High Cost Carrier	
		Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse
Marshall County Schools	30+	\$205.47	\$205.47	\$222.74	\$222.74	\$131.50	\$131.50	\$219.29	\$219.29	\$238.63	\$238.63	\$145.32	\$145.32
	20-29	\$242.83	\$242.83	\$260.10	\$260.10	\$155.41	\$155.41	\$256.65	\$256.65	\$273.92	\$273.92	\$169.23	\$169.23
	<20	\$280.19	\$280.19	\$297.46	\$297.46	\$179.32	\$179.32	\$294.01	\$294.01	\$311.28	\$311.28	\$193.14	\$193.14
	Support	\$448.79	\$448.79	\$469.54	\$469.54	\$287.23	\$287.23	\$465.39	\$465.39	\$486.14	\$486.14	\$303.83	\$303.83
Maury County Schools	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	20-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	<20	\$405.54	\$405.54	\$430.54	\$430.54	\$259.54	\$259.54	\$425.54	\$425.54	\$450.54	\$450.54	\$279.54	\$279.54
	Support	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06
McMinn County Center for Educational Excellence	Instructional Staff - 30+ Yrs (\$2,000 Annually/ 5yrs or \$10,000 Lump Sum)	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum
	Support Staff - 30+ Yrs (\$2,000 Annually/ 5yrs or \$10,000 Lump Sum)	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum	Annually or Lump Sum
McNairy County Schools	30+	\$44.61	\$44.61	\$48.36	\$48.36	\$28.55	\$28.55	\$47.61	\$47.61	\$51.36	\$51.36	\$31.55	\$31.55
	20-29	\$45.69	\$45.69	\$48.94	\$48.94	\$29.24	\$29.24	\$48.29	\$48.29	\$51.54	\$51.54	\$31.84	\$31.84
	10-19	\$44.61	\$44.61	\$47.36	\$47.36	\$28.55	\$28.55	\$46.81	\$46.81	\$49.56	\$49.56	\$30.75	\$30.75
Milan Special School District	Instructional Staff - 10+ Yrs (Entity pays proportion of retiree's premium. This portion is 100% for employees with 30+. The percentage is reduced 3% for each year of service less 30+)	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based
	Support Staff 10+ (Entity pays proportion of retiree's premium. This portion is 100% for employees with 30+. The percentage is reduced 3% for each year of service less 30+)	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based	Formula Based
Monroe County BOE	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	20-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
Moore County Schools	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	Support 30+	\$297.39	\$297.39	\$311.14	\$311.14	\$190.33	\$190.33	\$308.39	\$308.39	\$322.14	\$322.14	\$201.34	\$201.34
Newport City Schools	Instructional Staff - 30 Yrs or Age 60 that meet TCRS reqmt (includes 10 Yrs service w/ Newport CS) Until Age 65. Reimbursement for health insurance premiums is offered by NCS.	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement	\$346.06 Reimburs ement
Oak Ridge Schools	Instructional Staff- Age 60, Until reach age of 65. Reimbursement for health insurance premiums is offered by ORS.	\$459.6 Reimburs ement	\$459.6 Reimburs ement	\$480.85 Reimburs ement	\$480.85 Reimburs ement	\$294.15 Reimburs ement	\$294.15 Reimburs ement	\$476.6 Reimburs ement	\$476.6 Reimburs ement	\$497.85 Reimburs ement	\$497.85 Reimburs ement	\$311.15 Reimburs ement	\$311.15 Reimburs ement
	Instructional Staff - Age 55 & 25 Yrs (includes 10 Yrs w/ ORS), for up to 5 years offer. Reimbursement for health insurance premiums is offered by ORS.	\$459.6 Reimburs ement	\$459.6 Reimburs ement	\$480.85 Reimburs ement	\$480.85 Reimburs ement	\$294.15 Reimburs ement	\$294.15 Reimburs ement	\$476.6 Reimburs ement	\$476.6 Reimburs ement	\$497.85 Reimburs ement	\$497.85 Reimburs ement	\$311.15 Reimburs ement	\$311.15 Reimburs ement
Overton County Schools	All levels - Professional Staff (Support Staff - N/A)	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Polk Co BOE	30+	\$281.62	\$281.62	\$306.62	\$306.62	\$190.33	\$190.33	\$301.62	\$301.62	\$326.62	\$326.62	\$0.00	\$0.00
	25-29	\$281.62	\$281.62	\$306.62	\$306.62	\$190.33	\$190.33	\$301.62	\$301.62	\$326.62	\$326.62	\$0.00	\$0.00
Roane County Schools	30+	\$189.25	\$369.04	\$189.25	\$369.04	\$121.12	\$236.18	\$196.25	\$383.04	\$196.25	\$383.04	\$121.12	\$250.18
	Support	\$432.57	\$843.51	\$432.57	\$843.51	\$276.85	\$539.85	\$448.57	\$875.51	\$448.57	\$875.51	\$292.85	\$571.85

L.E.A.	Service Requirement	PPO Partnership Low Cost Carrier		PPO Standard Low Cost Carrier		PPO Limited Low Cost Carrier		PPO Partnership High Cost Carrier		PPO Standard High Cost Carrier		PPO Limited High Cost Carrier	
		Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse
Robertson County Schools	30+	\$230.42	\$449.32	\$241.67	\$471.82	\$241.67	\$471.82	\$239.42	\$467.32	\$250.67	\$489.82	\$250.67	\$489.82
	25-29	\$230.42	\$449.32	\$241.67	\$471.82	\$241.67	\$471.82	\$239.42	\$467.32	\$250.67	\$489.82	\$250.67	\$489.82
	20-24	\$179.21	\$349.47	\$187.96	\$366.97	\$187.96	\$366.97	\$186.21	\$363.47	\$194.96	\$380.97	\$194.96	\$380.97
	15-19	\$128.01	\$249.62	\$134.26	\$262.12	\$134.26	\$262.12	\$133.01	\$259.62	\$139.26	\$272.12	\$139.26	\$272.12
	10-14	\$102.41	\$199.70	\$107.41	\$209.70	\$107.41	\$209.70	\$106.41	\$207.70	\$111.41	\$217.70	\$111.41	\$217.70
Rogersville City Schools	Instructional Staff - 30 + Yrs, 25+ Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, for up to 3 yrs or Age 65	\$297.39	\$300.00	\$300.00	\$300.00	\$190.33	\$300.00	\$297.39	\$300.00	\$300.00	\$300.00	\$190.33	\$300.00
	Instructional Staff - 30 + Yrs, 16-24 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 2 yrs or Age 65	\$297.39	\$300.00	\$300.00	\$300.00	\$190.33	\$300.00	\$297.39	\$300.00	\$300.00	\$300.00	\$190.33	\$300.00
	Instructional Staff - 30 + Yrs, 10-15 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 1 yr or Age 65	\$297.39	\$300.00	\$300.00	\$300.00	\$190.33	\$300.00	\$297.39	\$300.00	\$300.00	\$300.00	\$190.33	\$300.00
	Instructional Staff - 20-29 Yrs, 25+ Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 3 yrs or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$224.94	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$224.94	\$300.00
	Instructional Staff - 20-29 Yrs, 16-24 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 2 yrs or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$224.94	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$224.94	\$300.00
	Instructional Staff - 20-29 Yrs, 10-15 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 1 yr or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$224.94	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$224.94	\$300.00
	Instructional Staff - <20 Yrs, 25+ Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 3 yrs or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$259.54	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$259.54	\$300.00
	Instructional Staff - <20 Yrs, 16-24 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 2 yrs or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$259.54	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$259.54	\$300.00
	Instructional Staff - <20 Yrs, 10-15 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 1 yr or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$259.54	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$259.54	\$300.00
Rogersville City Schools	Support Staff - 25+ Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 3 yrs or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
	Support Staff 16-24 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 2 yrs or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
	Support Staff - 10-15 Yrs Continuous Serv in TCRS, 5 Yrs Continuous Serv w/ Rogersville CS, Up to 1 yr or Age 65	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00

L.E.A.	Service Requirement	PPO Partnership Low Cost Carrier		PPO Standard Low Cost Carrier		PPO Limited Low Cost Carrier		PPO Partnership High Cost Carrier		PPO Standard High Cost Carrier		PPO Limited High Cost Carrier	
		Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse	Retiree Only	Retiree + Spouse
Scott County Schools	30+	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00
	20-29	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00
	<20	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00	\$245.00
Sevier County Schools	30+	\$297.39	\$459.61	\$322.39	\$480.86	\$190.33	\$294.16	\$317.39	\$476.61	\$342.39	\$497.86	\$210.33	\$311.16
	20-29	\$351.46	\$459.61	\$376.46	\$480.86	\$224.94	\$294.16	\$371.46	\$476.61	\$396.46	\$497.86	\$244.94	\$311.16
	<20	\$405.53	\$459.61	\$430.53	\$480.86	\$259.54	\$294.16	\$425.53	\$476.61	\$450.53	\$497.86	\$279.54	\$311.16
	Support	\$459.61	\$459.61	\$480.86	\$480.86	\$294.16	\$294.16	\$476.61	\$476.61	\$497.86	\$497.86	\$311.16	\$311.16
Sullivan County BOE	30+	\$297.39	\$297.39	\$322.39	\$322.39	\$190.33	\$190.33	\$317.39	\$317.39	\$342.39	\$342.39	\$210.33	\$210.33
	20-29	\$351.46	\$351.46	\$376.46	\$376.46	\$224.94	\$224.94	\$371.46	\$371.46	\$396.46	\$396.46	\$244.94	\$244.94
	<20	\$405.53	\$405.53	\$430.54	\$430.54	\$259.54	\$259.54	\$425.53	\$425.53	\$450.53	\$450.53	\$279.54	\$279.54
	Support	\$540.71	\$540.71	\$565.71	\$565.71	\$346.06	\$346.06	\$560.71	\$560.71	\$585.71	\$585.71	\$366.06	\$366.06
Tipton County Schools	20+ (incl support)	\$78.00	\$130.00	\$78.00	\$130.00	\$0.00	\$0.00	\$78.00	\$130.00	\$78.00	\$130.00	\$0.00	\$0.00
Trenton Special School District	30 + Yrs	\$166.62	\$166.62	\$180.37	\$180.37	\$0.00	\$0.00	\$177.62	\$177.62	\$191.37	\$191.37	\$0.00	\$0.00
	Instructional Staff <30 Yrs, and Age 52, Pays % of Retire's Premium Based on Formula (Years of Service TSSD Divided by 30 Times Individual Premium Minus Maximum State Proton Equals Amount Paid by TSSD)	Formula Based	Formula Based	Formula Based	Formula Based	\$0.00	\$0.00	Formula Based	Formula Based	Formula Based	Formula Based	\$0.00	\$0.00
Tullahoma City Schools	Instructional Staff - 30+ Yrs	\$297.39	\$463.94	\$322.39	\$503.94	\$190.33	\$296.92	\$317.39	\$495.94	\$342.39	\$535.94	\$210.33	\$328.92
	Instructional Staff - 20-29 Yrs, Age 60, 10 years of service TCS	\$351.46	\$548.29	\$376.46	\$588.29	\$224.94	\$350.90	\$371.46	\$580.29	\$396.46	\$620.29	\$244.94	\$382.90
	Instructional Staff - <20 Yrs, Age 60, 10 years of service TCS	\$405.54	\$632.64	\$430.54	\$672.64	\$259.54	\$404.89	\$425.54	\$664.64	\$450.54	\$704.64	\$279.54	\$463.89
	Support Staff - 10+ Yrs and Age 60	\$540.71	\$843.51	\$565.71	\$883.51	\$346.06	\$539.85	\$560.71	\$875.51	\$585.71	\$915.51	\$366.06	\$571.85
Unicoi County Schools	Instructional Staff - 30 + Yrs	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Union County Schools	25+	\$83.33	\$104.17	\$83.33	\$104.17	\$83.33	\$104.17	\$83.33	\$104.17	\$83.33	\$104.17	\$83.33	\$104.17
Van Buren County Schools	30+	\$297.39	\$579.91	\$311.14	\$607.41	\$190.33	\$371.15	\$322.14	\$629.41	\$306.37	\$598.66	\$201.33	\$393.15
	20-29	\$267.65	\$521.92	\$280.03	\$546.67	\$171.30	\$334.04	\$289.93	\$566.47	\$275.73	\$538.79	\$181.20	\$353.84
	<20	\$237.91	\$463.93	\$248.91	\$485.93	\$152.26	\$296.92	\$257.71	\$503.53	\$245.10	\$478.93	\$161.06	\$314.52
Washington County Schools	Instructional Staff - Under Age 65, 5 year on insurance plan	\$160.92	\$251.92	\$160.92	\$251.92	\$160.92	\$251.92	\$160.92	\$251.92	\$160.92	\$251.92	\$160.92	\$251.92
Wayne County Schools	30+	\$297.39	\$579.92	\$322.39	\$629.92	\$190.33	\$371.15	\$317.39	\$619.92	\$342.39	\$669.92	\$210.33	\$411.15

COBRA BENEFITS

Former employees, retirees and dependents may be eligible for an extended benefit under COBRA, regardless of the terms of the employer's other post-employment benefits. COBRA benefits are not considered as other post-employment benefits for the purposes of GASB Statement No. 45.

FUNDING VEHICLE

There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for this purpose. All approved benefits are paid by the State or the employer when due.

TERMINATION AND AMENDMENT

The post-employment benefits are extended to retirees and continued at the discretion of the employer, which reserves the right (subject to State Statute and any collective bargaining agreements) to change or terminate benefits and to change contributions required from retirees in the future as circumstances change.

SECTION F
GASB DISCLOSURES

**Required Actuarial Information
(GASB STATEMENT NO. 45)
STATE OBLIGATION**

Employer FYE June 30	2016	2015¹	2014¹
Normal Cost (service cost for one year)	\$ 15,429,580	\$ 17,606,852	\$ 16,929,665
Amortization of Unfunded Actuarial Accrued Liability	13,273,183	13,828,032	13,425,274
Interest on Normal Cost and Amortization	-	-	-
Annual Required Contribution (ARC)	28,702,763	31,434,884	30,354,939
Net OPEB Obligation (NOO) at beginning of the year	72,930,156	58,411,062	45,715,000
Annual Required Contribution (ARC)	28,702,763	31,434,884	30,354,939
Interest on NOO	2,734,881	2,336,442	1,828,600
Adjustment to ARC	(2,745,864)	(2,276,232)	(1,781,477)
Annual OPEB Cost (Expense)	28,691,780	31,495,094	30,402,062
Employer Contributions Made	TBD	(16,976,000)	(17,706,000)
Increase (decrease) in NOO	<u>TBD</u>	<u>14,519,094</u>	<u>12,696,062</u>
NOO at end of year	TBD	72,930,156	58,411,062

Schedule of Funding Progress - State Obligation

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
7/1/2011 ¹	\$0	\$216,600,000	\$216,600,000	0.00%	N/A	N/A
7/1/2013	\$0	\$294,797,084	\$294,797,084	0.00%	N/A	N/A
7/1/2015	\$0	\$274,798,712	\$274,798,712	0.00%	N/A	N/A

Schedule of Employer Contributions - State Obligation

Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2014	\$30,402,062	\$17,706,000	58.24%	\$58,411,062
6/30/2015	\$31,495,094	\$16,976,000	53.90%	\$72,930,156
6/30/2016	\$28,691,780	TBD	TBD	TBD

¹As reflected in the State's Comprehensive Annual Financial Reports.

Required Actuarial Information
(GASB STATEMENTS NO. 43 & 45)
STATE OBLIGATION

Reporting Year	2016	2015	2014
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level % closed	Level % closed	Level % closed
Asset valuation method	Unfunded	Unfunded	Unfunded
Actuarial assumptions:			
Investment rate of return *	3.75%	4.00%	4.00%
Projected salary increases *	N/A	N/A	N/A
Payroll growth assumptions	3.00%	3.00%	3.00%
Initial Per Capita Cost trend rate	6.50%	7.50%	7.50%
Second Year Per Capita Cost trend rate	6.00%	7.00%	7.00%
Third Year Per Capita Cost trend rate	5.75%	6.50%	6.50%
Ultimate Per Capita Cost trend rate	4.645%**	4.7%	4.7%
Years to Ultimate rate	35	30	30
* Includes general price inflation at	2.5%	2.5%	2.5%
** Includes an additional 0.30% trend representing our estimate of the ultimate effect of the Federal Excise Tax.			

DISCLOSURES FOR FISCAL YEAR ENDING 6/30/2017

GASB allows for performing actuarial valuation biennially with results applicable to two reporting years (per paragraph 12 of GASB Statement 45). However, a new fully compliant valuation would need to be performed if significant changes have occurred since the previous valuation that affect the valuation results, including significant changes in benefit provisions, the size or composition of the membership, or other factors that impact long-term actuarial assumptions through the reporting date. Refer also to Q&A 8.17.5 of the 2011-2012 Comprehensive Implementation Guide. In the absence of such changes, following disclosures can be used in the State's 2016/2017 fiscal year reporting.

Required Actuarial Information (GASB STATEMENT NO. 45) State Obligation			
Employer FYE June 30	2017	2016	2015¹
Normal Cost (service cost for one year)	\$ 16,008,189	\$ 15,429,580	\$ 17,606,852
Amortization of Unfunded Actuarial Accrued Liability	13,671,378	13,273,183	13,828,032
Interest on Normal Cost and Amortization	-	-	-
Annual Required Contribution (ARC)	29,679,567	28,702,763	31,434,884
Net OPEB Obligation (NOO) at beginning of the year	TBD	72,930,156	58,411,062
Annual Required Contribution (ARC)	29,679,567	28,702,763	31,434,884
Interest on NOO	TBD	2,734,881	2,336,442
Adjustment to ARC	<u>TBD</u>	<u>(2,745,864)</u>	<u>(2,276,232)</u>
Annual OPEB Cost (Expense)	TBD	28,691,780	31,495,094
Employer Contributions Made	TBD	TBD	(16,976,000)
Increase (decrease) in NOO	<u>TBD</u>	<u>TBD</u>	<u>14,519,094</u>
NOO at end of year	TBD	TBD	72,930,156

Schedule of Funding Progress - State Obligation

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
7/1/2011 ¹	\$0	\$216,600,000	\$216,600,000	0.00%	N/A	N/A
7/1/2013	\$0	\$294,797,084	\$294,797,084	0.00%	N/A	N/A
7/1/2015	\$0	\$274,798,712	\$274,798,712	0.00%	N/A	N/A

Schedule of Employer Contributions - State Obligation

Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$31,495,094	\$16,976,000	53.90%	\$72,930,156
6/30/2016	\$28,691,780	TBD	TBD	TBD
6/30/2017	TBD	TBD	TBD	TBD

¹As reflected in the State's Comprehensive Annual Financial Reports.

APPENDIX
RESULTS BY EMPLOYER

Appendix
Results By Employer (Dollars in Thousands)
State Direct Subsidy

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll-Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
Achievement School District	-	125	-	160	31	37	38
Alamo City Bd Ed	3	41	59	86	9	15	15
Alcoa City Sch	8	127	186	1,221	79	141	145
Anderson County Schools	46	548	436	1,752	138	238	247
Athens City Schools	23	120	257	615	47	88	91
Bedford County Schools	30	633	382	2,521	185	313	323
Bells City Bd of Education	1	32	7	168	9	17	17
Benton County Schools	15	182	104	897	62	107	111
Bledsoe County Schools	12	140	192	646	40	77	79
Bradford Special School District	6	49	49	189	15	25	26
Bradley County Board of Education	82	701	839	5,317	399	686	710
Bristol City Schools	53	300	494	1,835	139	246	255
Campbell County Schools	71	373	1,052	3,028	192	388	401
Cannon County Schools	4	167	56	708	47	81	84
Carroll County Schools	-	18	-	54	4	7	7
Carter County Schools	97	424	1,186	3,552	231	459	474
Cheatham County Schools	43	484	610	2,875	245	412	426
Chester County Schools	16	165	190	712	48	87	90
City Dayton Sch	7	55	60	217	18	30	31
Clay County Schools	15	89	279	465	33	66	68
Cleveland City Schools	36	419	312	2,464	202	333	345
Clinton Schools	17	77	169	274	21	39	40
Cocke County Schools	50	317	484	2,239	144	268	277
Coffee County Schools	57	327	508	2,704	198	340	352
Covington City Schools	-	-	-	-	-	-	-
Crockett County Schools	9	132	64	523	39	65	68
Cumberland County Schools	73	480	1,117	3,852	272	502	519
Decatur County Schools	13	125	156	632	37	71	74
Dekalb County Schools	27	217	316	998	71	128	133
Dickson Co. Board of Education	58	623	581	5,068	334	578	598
Dir Pay TE Ret Med	17	-	517	-	-	19	20
Dyer County Schools	32	243	280	1,901	132	236	244
Dyersburg City Schools	40	206	551	1,488	92	189	196
Elizabethton City Schools	19	211	205	1,386	100	175	181
Etowah City Bd of Ed	1	27	13	78	8	12	12
Fayette County Schools	11	233	110	760	54	93	96
Fayetteville Schools	8	111	106	432	34	56	58
Fentress County Schools	32	156	364	972	63	133	137
Franklin County Schools	42	381	394	2,776	186	326	337
Franklin Special School District	60	338	667	2,118	149	276	286
Frayser Community Schools	-	33	-	40	8	10	10
Freedom Preparatory Academy	-	16	-	10	3	3	4
Gestalt Community Schools	-	38	-	72	10	13	13
Gibson County Bd of Ed	15	310	283	941	78	130	134
Giles County Schools	58	309	878	2,721	173	341	352

Amounts in the "Roll-Forward ARC" column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Appendix
Results By Employer (Dollars in Thousands)
State Direct Subsidy (continued)

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll-Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
GRAD Restart Academies, Inc.	-	21	-	56	7	9	10
Grainger County Schools	30	251	420	2,435	147	287	296
Greene County Schools	103	494	1,428	4,117	302	556	575
Greenville City Schools	40	221	533	2,278	149	273	282
Grundy County Schools	22	165	265	749	49	94	98
H R Bruce Sp Sch	10	45	112	183	12	24	25
Hamblen County Schools	123	712	1,847	5,872	467	816	844
Hancock County Schools	7	99	87	336	20	39	40
Hardeman County Schools	38	319	506	1,587	101	194	201
Hardin County Schools	46	250	560	2,235	128	259	267
Harriman School	-	-	-	-	-	-	-
Hawkins County Schools	79	599	1,087	3,573	257	482	498
Haywood County Schools	21	263	240	968	70	124	128
Henderson County Schools	24	300	289	1,315	84	156	161
Henry County Board of Education	33	219	397	1,479	114	206	213
Hickman County Schools	17	248	122	1,179	90	146	151
Hollow Rock-Bruceton Spec Sch Dist	-	-	-	-	-	-	-
Houston County Schools	8	89	110	298	20	39	40
Humboldt	18	95	224	443	43	81	83
Humphreys County Schools	17	233	180	1,979	126	231	239
Huntingdon Sp Sch	13	97	199	392	28	52	54
Jackson County Schools	15	124	165	469	30	67	69
Jackson-Madison County Board of Education	178	878	2,715	4,197	292	618	639
Jefferson County Schools	61	534	691	4,270	310	537	556
Johnson County Board of Education	38	177	503	1,601	107	191	197
Kingsport	-	-	-	-	-	50	52
KIPP Memphis Collegiate Schools	-	25	-	31	6	7	8
Knox County Schools	375	4,726	4,476	13,471	1,108	1,852	1,916
Lake County Schools	4	79	56	541	42	71	73
Lauderdale County Schools	21	336	374	1,941	141	248	257
Lawrence County Schools	80	479	953	4,249	290	541	560
LEAD Public Schools	-	21	-	37	7	8	9
Lebanon Special School District	22	237	410	1,304	90	171	176
Lenoir City	17	145	288	719	54	101	105
Lewis County Schools	11	133	111	558	34	64	66
Lexington City Schools	9	85	74	348	28	46	48
Libertas School of Memphis	-	-	-	-	-	-	-
Lincoln County Schools	27	279	324	1,133	80	145	149
Little Tn Vly Ed	-	-	-	-	-	-	-
Loudon County Schools	46	369	552	1,848	140	253	262
Macon County Schools	27	283	225	1,542	102	187	193
Manchester Schools	13	120	191	809	55	96	100
Marion County Schools	29	291	342	1,359	93	168	173
Marshall County Schools	44	389	363	2,486	179	316	327

Amounts in the "Roll-Forward ARC" column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Appendix
Results By Employer (Dollars in Thousands)
State Direct Subsidy (continued)

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll-Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
Maury County Schools	118	836	1,394	6,773	492	870	900
McKenzie Special School District	5	98	27	511	32	55	57
McMinn County Center for Educational Excellence	39	376	332	1,771	126	212	219
McNairy County School System	24	370	353	1,729	121	214	222
Meigs County Board of Education	9	130	90	624	43	76	78
Milan Special School District	19	149	264	957	63	122	127
Monroe County Board of Education	44	382	491	3,452	227	414	428
Moore County Schools	11	73	133	573	37	70	72
Morgan County Schools	15	288	148	1,308	86	149	154
Morristown Schools	-	-	-	-	-	-	-
MS Loc Ed Sup Direct Pay	-	-	-	-	-	-	-
MS Sullivan Co Supp Staf	-	-	-	-	-	-	-
Murfreesboro City Schools	41	574	421	2,320	171	285	295
Newport City Sc	8	59	150	532	32	60	62
Oak Ridge Schools	30	396	444	2,481	156	283	293
Obion County Schools	26	273	298	1,159	81	149	154
Oneida Spec Sch	9	91	159	450	27	53	55
Overton County Schools	26	229	329	1,822	121	223	230
Paris Special School District	14	125	92	494	37	64	66
Perry County Schools	4	84	41	413	25	45	47
Pickett County Schools	5	63	88	358	20	40	41
Polk County Board of Education	18	176	243	1,195	87	156	162
Promise Academy Spring Hill, Inc.	-	12	-	34	3	5	5
Putnam County Schools	71	725	878	3,413	242	431	446
Rhea County Schools	17	296	206	1,274	92	157	162
Richard Hardy Memorial School	-	20	-	34	2	4	4
Roane County Schools	63	467	706	3,389	203	403	416
Robertson County Schools	103	849	1,781	5,872	454	811	839
Rogersville City Schools	7	69	95	351	22	40	41
S. Carroll Co Sp Dist-Non	1	26	21	108	5	11	11
Scott County Schools	17	247	194	1,638	113	201	208
Sequatchie County Schools	7	157	105	507	41	68	71
Sevier County Schools	104	1,065	1,298	8,631	575	1,046	1,082
Smith County Schools	23	238	430	1,203	85	158	163
Stewart County Schools (BOE)	12	144	142	694	43	81	83
Sullivan County Board of Education	211	745	2,558	6,099	421	872	901
Sumner County Board of Education	2	-	26	-	-	173	178
Sweetwater Sch	8	97	101	546	34	62	64
Teacher-Retiree	285	2	2,596	1	0	557	574
Tipton County Schools	43	796	638	3,838	278	493	510
Trenton Spec Sch	20	96	154	647	41	75	77
Tri Co Voc S Te	-	-	-	-	-	-	-
Tri County Vocational School	-	-	-	-	-	-	-
Trousdale County Schools	6	96	45	312	27	44	46
Tullahoma	44	251	357	1,912	139	249	257

Amounts in the "Roll-Forward ARC" column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Appendix

Results By Employer (Dollars in Thousands)

State Direct Subsidy (continued)

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll-Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
Unicoi County Schools	23	188	210	1,057	76	133	138
Union City Bd of Ed	11	120	160	468	36	62	64
Union County Schools	18	241	200	1,154	77	142	147
Van Buren County Schools	9	71	168	461	26	58	60
W Carroll Sp Sch	3	69	76	320	20	37	38
Warren County Schools	41	434	446	1,627	110	207	214
Washington Bd of Ed	54	515	553	3,014	225	384	397
Wayne County Schools	19	170	338	1,568	85	183	189
Weakley County Schools	39	319	553	1,403	95	173	179
White County Schools	35	282	596	1,385	95	182	188
Williamson County Schools	-	-	-	-	-	-	-
Total	4,634	38,111	57,061	217,737	15,430	28,703	29,680

Note: Totals above may differ from other totals in the Report due to rounding.

Amounts in the “Roll-Forward ARC” column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Actuarial liability, benefit payments and normal cost results are calculated directly by individual. Unfunded Actuarial Accrued Liability is amortized for each employer separately recognizing any outstanding amortization bases for such employers resulting from prior valuations. The actuarial assumptions outlined in the report were selected for use for measurement of the obligation for the plan as a whole, rather than based on experience for any individual employer. Thus, the results shown could be different than a calculation of the actuarial liability performed separately for a particular employer or component.

Appendix

Results By Employer (Dollars in Thousands)

Local Employer Liability

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll- Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
Achievement School District	-	236	-	285	57	68	70
Alamo City Bd Ed	3	79	78	144	13	23	23
Alcoa City Sch	29	195	1,079	3,848	313	525	543
Anderson County Schools	48	933	672	2,739	222	390	403
Athens City Schools	23	221	412	1,181	91	170	176
Bedford County Schools	31	1,138	557	3,504	276	462	478
Bells City Bd of Education	1	52	10	232	14	24	25
Benton County Schools	15	343	176	1,334	97	169	175
Bledsoe County Schools	14	265	280	948	61	117	121
Bradford Special School District	6	81	73	269	22	36	38
Bradley County Board of Education	90	1,035	2,313	15,404	1,216	2,062	2,133
Bristol City Schools	58	397	922	3,749	290	520	538
Campbell County Schools	74	466	2,688	7,590	486	1,006	1,040
Cannon County Schools	4	324	77	1,044	70	124	128
Carroll County Schools	-	42	-	100	7	12	13
Carter County Schools	112	775	3,336	10,368	793	1,520	1,571
Cheatham County Schools	47	777	1,738	9,117	810	1,338	1,384
Chester County Schools	16	315	264	1,007	72	130	135
City Dayton Sch	7	94	94	337	28	46	48
Clay County Schools	15	157	368	620	45	90	93
Cleveland City Schools	41	670	914	7,883	674	1,093	1,131
Clinton Schools	17	121	233	379	30	56	58
Cocke County Schools	58	665	1,167	9,163	731	1,211	1,253
Coffee County Schools	63	593	1,558	7,943	656	1,098	1,136
Covington City Schools	-	-	-	-	-	-	0
Crockett County Schools	9	214	105	724	58	97	100
Cumberland County Schools	78	887	2,863	14,336	1,170	1,962	2,030
Decatur County Schools	13	220	217	819	50	98	101
Dekalb County Schools	27	385	485	1,405	104	190	197
Dickson Co. Board of Education	67	991	1,487	13,659	982	1,636	1,692
Dir Pay TE Ret Med	42	-	600	-	-	25	26
Dyer County Schools	32	449	740	5,438	418	734	759
Dyersburg City Schools	40	328	1,251	3,405	210	437	452
Elizabethton City Schools	30	327	914	4,537	357	630	651
Etowah City Bd of Ed	1	48	17	133	14	20	21
Fayette County Schools	11	515	176	1,240	95	163	168
Fayetteville Schools	8	209	145	601	52	83	86
Fentress County Schools	33	313	674	1,842	121	272	281
Franklin County Schools	44	749	977	7,718	532	944	976
Franklin Special School District	87	601	2,822	8,689	602	1,144	1,182
Frayser Community Schools	-	58	-	71	14	17	18
Freedom Preparatory Academy	-	27	-	16	6	7	7
Gestalt Community Schools	-	56	-	104	15	19	20
Gibson County Bd of Ed	16	566	310	1,323	116	188	195
Giles County Schools	62	557	2,115	6,757	453	902	933

Amounts in the "Roll-Forward ARC" column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Appendix
Results By Employer (Dollars in Thousands)
Local Employer Liability (continued)

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll- Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
GRAD Restart Academies, Inc.	-	27	-	71	9	12	12
Grainger County Schools	30	432	980	6,034	385	743	768
Greene County Schools	107	855	3,362	14,265	1,121	1,948	2,015
Greenville City Schools	50	365	1,548	7,641	567	986	1,020
Grundy County Schools	22	277	356	1,033	70	136	140
H R Bruce Sp Sch	10	69	151	254	17	34	35
Hamblen County Schools	133	1,148	4,754	20,305	1,772	2,937	3,038
Hancock County Schools	7	157	111	456	30	57	59
Hardeman County Schools	39	533	693	2,183	148	280	290
Hardin County Schools	50	434	1,238	7,196	458	878	908
Harriman School	-	-	-	-	-	-	0
Hawkins County Schools	85	1,103	2,467	11,868	967	1,711	1,769
Haywood County Schools	21	435	357	1,423	105	188	194
Henderson County Schools	24	516	409	1,759	120	220	227
Henry County Board of Education	35	372	889	3,915	298	542	560
Hickman County Schools	18	453	333	2,940	229	370	383
Hollow Rock-Bruceton Spec Sch Dist	-	-	-	-	-	-	0
Houston County Schools	8	139	152	412	32	59	61
Humboldt	20	188	505	1,505	148	267	276
Humphreys County Schools	19	418	561	6,309	444	783	810
Huntingdon Sp Sch	13	132	269	507	36	68	71
Jackson County Schools	15	232	229	691	47	91	94
Jackson-Madison County Board of Education	205	1,628	5,680	11,725	914	1,792	1,852
Jefferson County Schools	70	859	2,083	14,980	1,249	2,063	2,134
Johnson County Board of Education	45	363	1,407	5,143	359	618	639
Kingsport	-	-	-	-	-	195	201
KIPP Memphis Collegiate Schools	-	28	-	42	9	10	11
Knox County Schools	394	7,563	6,510	19,677	1,759	2,868	2,967
Lake County Schools	5	106	124	1,325	102	175	181
Lauderdale County Schools	21	493	635	3,515	267	473	490
Lawrence County Schools	83	897	2,267	14,939	1,146	1,994	2,062
LEAD Public Schools	-	49	-	59	13	15	16
Lebanon Special School District	23	376	782	3,611	246	459	475
Lenoir City	18	260	558	1,379	108	204	211
Lewis County Schools	11	210	161	777	49	93	96
Lexington City Schools	9	134	111	477	41	67	69
Libertas School of Memphis	-	5	-	0	1	1	1
Lincoln County Schools	27	520	445	1,601	120	217	224
Little Tn Vly Ed	-	8	-	10	1	1	1
Loudon County Schools	48	531	940	3,369	254	468	484
Macon County Schools	30	511	459	2,555	172	327	338
Manchester Schools	15	216	355	1,603	117	199	206
Marion County Schools	29	490	495	1,989	144	258	266
Marshall County Schools	51	682	913	7,037	600	1,012	1,047

Amounts in the "Roll-Forward ARC" column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Appendix

Results By Employer (Dollars in Thousands)

Local Employer Liability (continued)

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll- Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
Maury County Schools	142	1,507	4,866	23,965	2,165	3,512	3,634
McKenzie Special School District	5	140	47	661	41	74	77
McMinn County Center for Educational Excell	44	665	637	3,293	231	395	409
McNairy County School System	26	600	625	2,728	199	354	366
Meigs County Board of Education	9	223	120	813	60	105	109
Milan Special School District	24	257	842	3,605	262	489	505
Monroe County Board of Education	47	620	1,196	9,119	634	1,147	1,186
Moore County Schools	11	117	260	1,236	80	154	159
Morgan County Schools	15	410	224	1,749	121	210	218
Morristown Schools	-	-	-	-	-	-	0
MS Loc Ed Sup Direct Pay	-	-	-	-	-	0	0
MS Sullivan Co Supp Staf	-	-	-	-	-	0	0
Murfreesboro City Schools	47	1,049	663	3,356	277	471	487
Newport City Sc	8	97	392	1,273	79	144	149
Oak Ridge Schools	36	621	825	6,035	395	709	733
Obion County Schools	28	551	448	1,691	125	230	238
Oneida Spec Sch	9	181	195	641	40	76	79
Overton County Schools	26	370	680	4,077	289	525	543
Paris Special School District	14	193	138	694	54	94	97
Perry County Schools	5	133	60	579	36	66	68
Pickett County Schools	5	94	118	451	25	52	54
Polk County Board of Education	21	295	624	2,863	223	402	416
Promise Academy Spring Hill, Inc.	-	19	-	41	5	6	7
Putnam County Schools	73	1,222	1,295	4,956	368	656	679
Rhea County Schools	17	522	279	1,883	143	243	252
Richard Hardy Memorial School	-	33	-	50	4	6	7
Roane County Schools	68	797	1,608	10,383	684	1,290	1,334
Robertson County Schools	113	1,310	4,392	15,621	1,225	2,167	2,242
Rogersville City Schools	7	83	135	645	41	73	76
S. Carroll Co Sp Dist-Non	1	42	30	145	7	15	16
Scott County Schools	17	427	364	3,919	279	493	510
Sequatchie County Schools	7	310	150	779	66	111	115
Sevier County Schools	111	1,867	3,650	30,201	2,207	3,832	3,963
Smith County Schools	23	381	580	1,609	118	220	227
Stewart County Schools (BOE)	12	167	192	883	57	108	111
Sullivan County Board of Education	313	1,190	9,520	22,304	1,667	3,295	3,406
Sumner County Board of Education	2	-	44	-	-	484	498
Sweetwater Sch	8	177	160	761	51	98	101
Teacher-Retiree	372	4	4,868	2	0	1,099	1,132
Tipton County Schools	48	1,302	1,195	7,052	514	937	969
Trenton Spec Sch	20	157	389	1,553	106	189	195
Tri Co Voc S Te	-	-	-	-	-	-	0
Tri County Vocational School	-	-	-	-	-	-	0
Trousdale County Schools	6	142	72	406	35	60	62
Tulahoma	50	435	1,040	7,212	623	1,015	1,050

Amounts in the "Roll-Forward ARC" column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Appendix

Results By Employer (Dollars in Thousands)

Local Employer Liability (continued)

Employer	Count as of July 1, 2015		Actuarial Liability as of July 1, 2015		Normal Cost for FYE 2016	ARC for FYE 2016	Roll- Forward ARC for FYE 2017
	Inactive	Active	Inactive	Active			
Unicoi County Schools	24	301	386	1,724	128	234	242
Union City Bd of Ed	11	194	229	687	54	93	96
Union County Schools	19	462	370	1,985	138	257	266
Van Buren County Schools	9	130	404	1,325	86	174	180
W Carroll Sp Sch	3	117	92	441	29	52	54
Warren County Schools	43	784	629	2,405	171	323	334
Washington Bd of Ed	59	1,028	1,159	6,671	514	887	918
Wayne County Schools	20	279	791	3,976	215	467	483
Weakley County Schools	39	511	756	1,952	136	255	264
White County Schools	35	496	780	1,934	138	261	270
Williamson County Schools	-	-	-	-	-	-	0
Total	5,214	64,700	126,714	550,920	42,269	76,287	78,892

Note: Totals above may differ from other totals in the Report due to rounding.

Amounts in the “Roll-Forward ARC” column are developed by increasing the Normal Cost with interest and increasing the amortization payment with the assumed payroll growth rate.

Under the current assumptions, 30-year amortization factor used in calculating the adjustment to ARC is 26.56.

Actuarial liability, benefit payments and normal cost results are calculated on an individual basis. Unfunded Actuarial Accrued Liability is amortized for each employer separately recognizing any outstanding amortization bases for such employers resulting from prior valuations. The actuarial assumptions outlined in the report were selected for use for measurement of the obligation for the plan as a whole, rather than based on experience for any individual employer. Thus, the results shown could be different than a calculation of the actuarial liability performed separately for a particular employer or component.